

The NATIONAL UNDERWRITER

LANDING SHIPS - TANKS - MEN TRAINED TO HANDLE THEM!

American efficiency and engineering skill and ingenuity have accomplished the impossible.

American loyalty and stamina and morale will keep us backing our fighting men to the last shot.



FIRE-MARINE-CASUALTY-SURETY
Loyalty Group
INSURANCE

Western Department
120 So. LaSalle St.
Chicago 3, Illinois

Foreign Department
111 John St.
New York 7, New York

HOME OFFICE • 10 PARK PLACE • NEWARK 1, NEW JERSEY

Firemen's Insurance Company of Newark, N. J.
Organized 1855
The Girard Fire & Marine Insurance Company
Organized 1853
National-Ben Franklin Fire Insurance Company
Organized 1866
The Concordia Fire Insurance Co. of Milwaukee
Organized 1870

Milwaukee Mechanics' Insurance Company
Organized 1852
Royal Plate Glass & General Ins. Co. of Canada
Organized 1855
The Metropolitan Casualty Insurance Co. of N.Y.
Organized 1874
Commercial Casualty Insurance Company
Organized 1909

Pittsburgh Underwriters - Keystone Underwriters

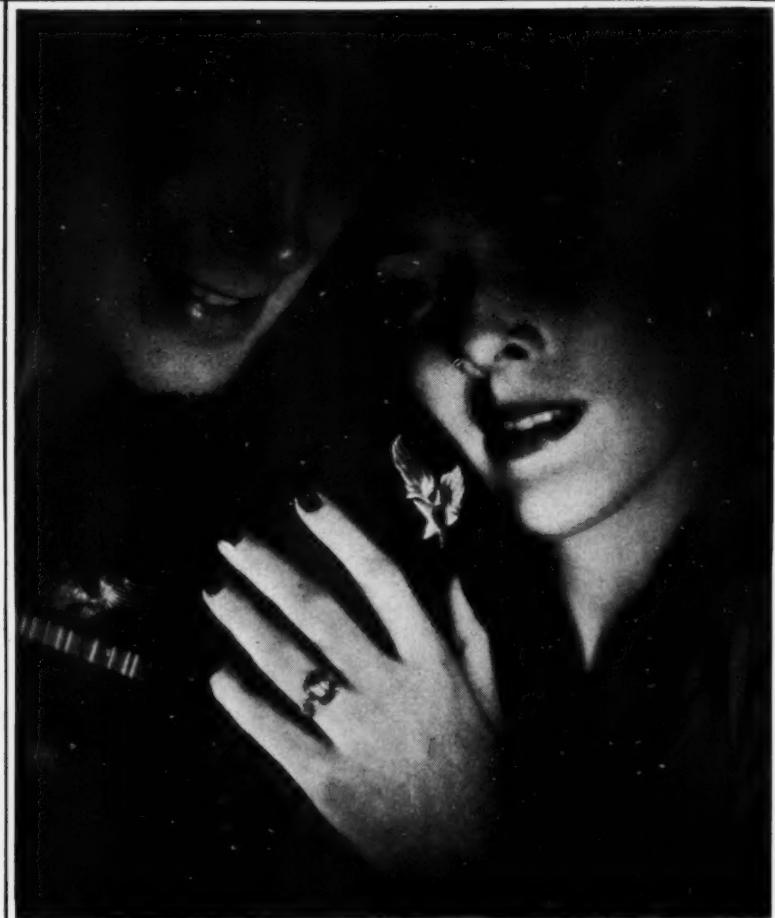
Southwestern Dept.
912 Commerce St.
Dallas 2, Texas

Pacific Department
220 Bush St.
San Francisco 6, Calif.

BUY MORE BONDS - - AND KEEP THEM

Official U. S. Navy Photograph

THURSDAY, MAY 17, 1945



"...and the pursuit of Happiness"

When he comes home his thoughts and plans will be for the peaceful pursuit of happiness. It is for this he fights on distant shores.

For those who await his coming there are many who wear tokens of promise and dream of the bright future beyond the shadows.

The sentiment expressed in jewelry can be guarded by insuring the real value. Personal Jewelry Insurance may be written for any amount, each article being listed and insured according to its value. The protection is in force wherever the jewelry is worn or placed for safekeeping and covers loss, damage or destruction.

If you have jewelry you cherish, assure yourself that it can be replaced in case of loss. Ask the Continental representative to prepare this protection for you. If you do not know his name, write us at 80 Maiden Lane, New York 8, N. Y.

The Continental Insurance Company

A Member Company of

THE AMERICA FORE INSURANCE AND INDEMNITY GROUP

BERNARD M. CULVER, President

FRANK A. CHRISTENSEN, Vice President

FIDELITY-PHENIX FIRE INSURANCE CO. • THE FIDELITY & CASUALTY CO. • NIAGARA FIRE INSURANCE CO.
MARYLAND INSURANCE CO. • AMERICAN EAGLE FIRE INSURANCE CO. • FIRST AMERICAN FIRE INSURANCE CO.

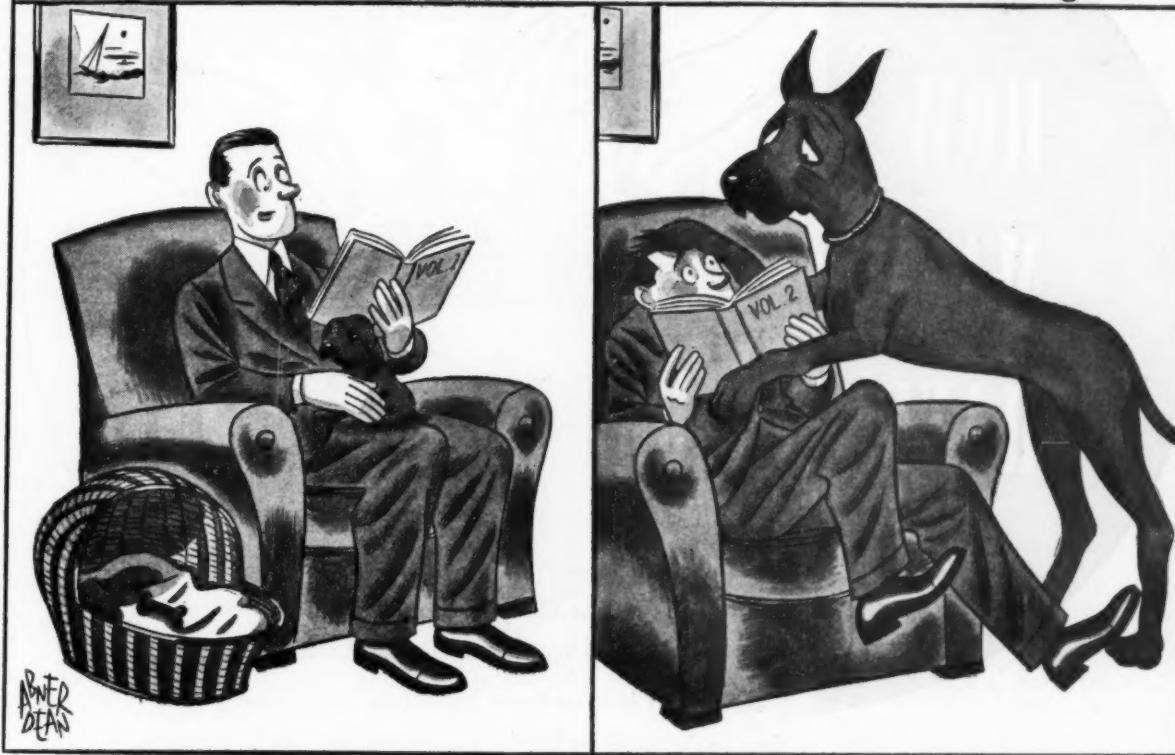


THIS ATTRACTIVE
JEWELRY INSURANCE
ADVERTISEMENT IS APPEAR-
ING IN CURRENT ISSUES OF
NATIONAL MAGAZINES

Advertise Personal Jewelry Insurance locally
by using the poster, reprints, newspaper mat
and folder designed from this advertisement

WRITE THE ADVERTISING DEPT. 80 MAIDEN LANE, NEW YORK 8, N. Y.

What changes a few years can bring!



Just a short time ago he was only "so big." Now look at him! Likewise, only a short time ago your house was worth—say \$10,000. Today its replacement value is considerably higher.

Have you increased your fire insurance to take care of this? If not . . . and your house burns . . . you might have to dig into your own pocket to make up the difference.

You would do well to discuss this with your local insurance agent or broker. These representatives—as, for example, those of the Aetna Insurance

Group—can give you expert advice, based on their knowledge of conditions in your city.

If additional protection appears advisable, it can be arranged while you wait. The cost will be quite small, too, for average insurance rates are now 40% lower than thirty years ago.

It is an added satisfaction to know that when your insurance is with a capital stock company such as those comprising the Aetna Insurance Group, it is backed by both a paid-in capital and surplus. You are never liable for assessment.

DON'T GUESS ABOUT INSURANCE—CONSULT YOUR LOCAL AGENT OR BROKER



Aetna Insurance Group

HARTFORD, CONNECTICUT

AETNA INSURANCE CO. • THE WORLD FIRE & MARINE INSURANCE CO. • THE CENTURY INDEMNITY CO.
PIEDMONT FIRE INSURANCE CO. • STANDARD INSURANCE CO. OF N. Y. • STANDARD SURETY & CASUALTY CO. OF N. Y.

MEMO

TO BROKERS AND AGENTS

Real estate surveys show that practically all forms of property are "growing" in value. Yet many property owners are neglecting to increase their fire insurance correspondingly. This unique advertisement helps you bring the matter to their attention. It appears—in color—in the May 28th issue of *Time*, the weekly news magazine. The Aetna Insurance Group, W. Ross McCain, President.

Listen to
LELAND STOWE
Blue Network
Saturdays 7:15 p. m., E.W.T.



TOUCH YOUR MONEY?

Whether your money and securities are handled by two or two hundred hands, you should have the assurance that every pair is bonded against dishonesty.

And what is even more important, you want protection against *unseen* hands, responsible for theft, forgery, burglary, or mysterious disappearance.

Those hazards, and many more, are fully covered in NORTH AMERICA's Bankers Blanket Bond #24. Unless you have this latest, most up-to-date form, you may have some unprotected hazards—some loophole through which hands with stealthy fingers may reach into your cash reserves.

Any Agent or Broker can get you Indemnity of North America's BBB #24. Ask your Insurance adviser about it.



INSURANCE COMPANY OF
NORTH AMERICA
COMPANIES, Philadelphia

INSURANCE COMPANY OF NORTH AMERICA
THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA
CENTRAL INSURANCE COMPANY OF BALTIMORE

INDEMNITY INSURANCE COMPANY OF NORTH AMERICA
NATIONAL SECURITY INSURANCE COMPANY
PHILADELPHIA FIRE AND MARINE INSURANCE COMPANY

This Advertisement will help you sell more BBB#24 Insurance.
It is one of a series now appearing in United States Investor and Banking.

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Move to Form Inland Marine Rate Filing Agency

Organization Meeting of National Inland Marine Bureau Is Held

HUNTINGTON, L. I.—The organization meeting of the National Inland Marine Bureau got under way here Wednesday morning, with most of those present that were on hand Tuesday for the annual meeting of the Inland Marine Underwriters Association. On the eve of the organization meeting it appeared doubtful whether the project could be completed that day and it is possible that adjournment would be taken until a later date at New York. The prospectus of the bureau was distributed recently but up to the time of the meeting there were a number of signatures that had not been received.

Purpose of New Bureau

The immediate purpose in setting up the bureau is to create an organization that will handle the filing of forms, rates and other matters with the New York department under the recent legislation making class rated inland marine risks subject to rate regulation in this state effective July 1. However, it would serve as the filing agency in other states such as Tennessee where state rate regulation of inland marine insurance is exercised or is to be exercised. It would also act as a statistical organization.

It is understood that stock companies that are not members of the I.M.U.A. are being or will be invited to join the new bureau either as members or subscribers. It is understood that the proposal is that members and subscribers must observe the rates, forms, acquisition costs, etc., of the bureau and that an individual company in order to deviate in any respect would have to get approval direct from the insurance department.

It is possible that the new bureau as time goes on might take over some of the activities of the I.M.U.A. and become the technical rating organization in the inland marine field. It might occupy somewhat the same position in the inland marine business that the National Bureau of Casualty & Surety Underwriters occupies in the casualty field and the I.M.U.A. would become the inland marine counterpart of the Association of Casualty & Surety Executives, occupying itself principally with matters of policy. However, that possibility must be labeled as speculative.

Alternative to Licensing I. M. U. A.

Setting up a rating bureau independently of the I.M.U.A. was the alternative to having the I.M.U.A. itself licensed as a rating organization. Had that move been made it would have become necessary to have admitted independent companies as subscribers.

The general writing mutual companies have decided not to set up a special rating organization but to have the Mutual Marine Conference which is the mutual counterpart of I.M.U.A., operate and become licensed as a rating organization. The Mutual Marine Conference has already applied for license in New York and Tennessee.

(CONTINUED ON PAGE 4-B)

Plans Perfected for Commissioners St. Paul Parley

Registration procedure has been worked out for the forthcoming National Association of Insurance Commissioners meeting at St. Paul, June 4-7, to assure accommodations for all who have necessary business at the meeting.

Registrations not yet made should be submitted promptly to the registration committee, care of Minnesota insurance department, St. Paul 1, the committee



HENRY GUTHUNZ, JR.

announces. Names of individuals and the organizations they represent should be given, and arrival and departure dates and type of accommodations desired.

With limited space available at the St. Paul hotel, conference headquarters, registrants may be assigned to the Lowry, St. Francis, or Ryan hotels, or to the St. Paul Athletic Club; however, they should state their preference, if any.

ODT has authorized the conference because of the importance of formulating plans by the various state departments to meet the obligations implied by the recent Supreme Court decision designating insurance as interstate commerce. Sessions will be devoted to discussing, clarifying, and coordinating the work and programs of the various state departments.

Following a meeting of the executive committee Sunday, June 3, four days of business sessions will begin Monday, June 4, and continue through Thursday, June 7.

Newell R. Johnson, president of the association and Minnesota insurance commissioner, has named a Twin City committee in charge of arrangements including Harold J. Cummings, vice-president Minnesota Mutual Life, chairman; A. B. Jackson, vice-president St. Paul Fire & Marine, finances; George W. Wells, Jr., vice-president Northwestern National Life, registration; Henry Guthunz, Jr., executive vice-president Anchor Casualty, hospitality; H. P. Skoglund, president North American Life & Casualty, publicity; and Hjalmer Hjermstad, president Citizens Fund Mutual Fire, transportation.

Midwest Buyers to Study Self-Insurance May 22

At its dinner meeting May 22 at the Bismarck hotel, Chicago, the Midwest Insurance Buyers' Association will conduct a forum on self-insurance. The discussions will be led by Harry Yormark, Chicago Mail Order Company; Roy Jacobus, Montgomery Ward & Co., and H. B. Storm, Chicago Surface Lines.

Among the items to be taken up are selection of self-insurance risks, account-

Fraizer of Neb. Is Resigning

C. C. Fraizer, Nebraska insurance director, is resigning, effective about June 15. Mr. Fraizer said he felt he had accomplished what he started out to do 4½ years ago in the insurance department.

He was a member of the executive committee of the National Association of Insurance Commissioners, and chairman of the committee on laws and legislation. He was a member of the commissioners' accident and health and fraternal committees, and had been particularly active in their deliberations.

Mr. Fraizer, who is an Aurora, Neb., lawyer, is a past Nebraska state commander of the American Legion, and served on the Legion's national Americanism commission for nine years, and also served for about nine years on the soldiers' state fund relief committee.

Mr. Fraizer states he has no definite plan of any kind or nature. He will be busy completing his duties at the department for at least 30 days and has not had an opportunity to make plans. His only motive, he said, is a feeling that he has rounded out a cycle of activities and desires return to private pursuits. "I have enjoyed this work and in particular my relations with the governor which have been most cordial," he said.

Governor Griswold has not hinted of a successor when the resignation becomes effective June 15. Mr. Fraizer is one of the few left who went to the state house when Governor Griswold was elected.

The resignation was a complete surprise, Griswold told a press conference Friday; Mr. Fraizer had only told him the night before.



C. C. Fraizer

Broadening Changes in G. I. Loan Bill Proposed

WASHINGTON—With the Veterans Administration approving guaranty of few loans to veterans going into business, under the G. I. bill, Senator George, Georgia, chairman of the Senate finance committee, which handles veterans legislation, has come out in favor of amending that law so as to provide for government guaranty of a higher percentage of loans to veterans who want to enter business, or for increasing the amount of loans.

The law authorizes VA to guarantee loans up to 50%, or a maximum of \$2,000, whether for business, home or farm venture. If these limits were increased as George suggests, it is expected there would be corresponding increase in VA requirements of insurance on the properties concerned in the loans.

George also announced he favors increasing the age limit of 24 years now set by law for veterans wishing to take advantage of the educational benefits under the G I bill. Under this program veterans may be trained as insurance agents in any approved institution, meanwhile receiving certain support allowances from the government.

Under the business loan guaranty a veteran may obtain financing for starting an insurance business of his own.

ing, funding of reserves; property, workers' compensation and liability, self-insurance and claim service and handling.

Independents' Rate Problem Steals NAIC Committee's Show

All-Industry Group Planned to Integrate Clayton, FTC Act Views

NEW YORK—How to preserve freedom of action for the independent companies and yet not place bureau companies at such a disadvantage that they would withdraw from their rating organizations stood out ominously as the unreconciled and perhaps irreconcilable point of difference between representatives of the two camps who appeared before the federal legislation committee of the National Association of Insurance Commissioners.

Purpose of the meeting was to work out a method for getting an industry-wide agreement on what should be done about seeking federal and state legislation needed by reason of the existence of the Clayton, Federal Trade Commission, and Robinson-Patman acts but the independent vs. bureau question stole the spotlight early in the proceedings and held it pretty constantly until the committee concluded its open sessions next day.

Other Points Reconcilable

On all other points of difference the chances for industry-wide unanimity seemed susceptible of eventual solution through additional conferences and compromises. But representatives of the independents made it clear that they didn't want to lose their competitive freedom, either by being forced into rating bureaus, or being subject to restrictions as to forms of coverage, or requirements to support rate filings that would, while leaving them nominally free, actually make it impracticable to operate otherwise than through a rating bureau. For example, section 8 of the model bill drawn up by the stock and mutual casualty companies requires the commissioner to adopt rules and statistical plans that will apply to the entire industry and these become mandatory on every company, whether bureau or non-bureau.

The independents were not represented as a group but their viewpoint was expressed by E. A. Meyers of Ekerin, Meyers & Matthias, Chicago, counsel for the State Farm companies of Bloomington, Ill., and R. C. Mead, actuary of State Farm, who spoke for the casualty and automobile section of the National Association of Mutual Insurance Companies, and Henry Moser of Chicago, counsel for the Allstate companies.

Some for All-Out Freedom

These speakers did not oppose rate regulation for the independents if it did not interfere with competitive freedom. However, M. V. Pew of Los Angeles, representing the American Farmers' group of reciprocals, advocated complete unregulated freedom for non-bureau carriers.

Though declaring himself opposed to this view, Commissioner Garrison of California, who sat with the committee as a representative of the N.A.I.C. executive committee, said he had come to the conclusion that the nub of the whole problem that is going to be met, over-

(CONTINUED ON PAGE 10)

Western Bureau in Session in Chicago

Herbert A. Clark
Presiding Over the 35th Annual Meeting

The 35th annual meeting of the Western Insurance Bureau is being held Thursday afternoon of this week in Chicago. H. A. Clark, vice-president in charge of the western department of Firemen's, is the perennial president. He has had a unique record. He served as president of the so-called old Bureau in 1926. After the exodus of a number of



HERBERT A. CLARK

its prominent members it was reorganized as it is at present and Mr. Clark returned to the presidency in 1930, occupying that position ever since. He is chairman of the board as well. Perhaps there is no record of the head of an insurance organization that is tantamount to his. He will give the presidential address. President W. G. Whitford of the Millers National will give the report of the uniform forms committee. Usually the Bureau invites someone outside the organization to give a talk and this year Russell D. Hobbs, manager of the Western Actuarial Bureau, is the speaker.

Florida Rating Bills Are Enacted; 2% Tax Measure Passes House

TALLAHASSEE, FLA.—Both of the Florida insurance rating bills have been passed by the legislature.

There is a question in the casualty rating act regarding experience outside the state that will perhaps be ironed out soon. The fire rating bill sailed through.

The 2% premium tax measure passed the house.

Institutional Cover Emphasized

The current display card which Security of New Haven is sending agents in its promotional series, points out that colleges, hospitals, schools and public buildings of various kinds, of which there are about 50,000, will spend \$83 billion within three to five years after supplies are available for remodeling, reequipping and expanding. These institutions should be checked by the agent, Security states, to determine if insurance is adequate and proper. They cannot do without insurance and catastrophe has no respect for ownership. In fact, the more people that use a building the more likely losses are to occur. The survey, the company suggests, is an ideal way to approach this insurance situation.

N.F.P.A. Meeting June 26 Will Be Abbreviated

The annual meeting of the National Fire Protection Association this year will consist of a meeting June 26 of directors, with attendance limited to members of the board and committee chairmen. The meeting will elect officers, adopt committee reports, and transact routine business. The board, acting as the annual meeting, will act only on matters with substantially unanimous support of the members.

Reports of eight technical committees will be presented for adoption by directors June 26. The air conditioning is headed by F. H. Faust, General Electric Company, Bloomfield, N. J., with J. L. King, New York Fire Insurance Rating Organization, secretary.

The committee on dust explosion hazards, Hylton R. Brown of the U. S. Bureau of Mines, College Park, Md., chairman, will present as a division of its report a code for prevention of dust explosions in the plastics industry. There also is a revised code for the installation of pulverized-coal systems. The committee will also present for adoption a revision of the code for explosion and fire protection in plants producing or handling magnesium powder or dust.

Various Committees Report

Amendments to the N.F.P.A. standards on first aid fire appliances, outside protection, and standpipe and hose systems will constitute the report of the committee on field practice, under Chairman Arthur G. Smith of Travelers Fire.

Benjamin Richards, manager Underwriters Service Association, Chicago, chairman of the committee on finishing processes, will present revisions in the N.F.P.A. standards on paint spraying and spray booths. A new section on electrostatic apparatus is also included in this text. The committee also recommends rescinding the tentative interim amendment adopted in 1942 which permitted the use of fans made of flame-proofed wood.

The committee on gases, under Chairman H. E. Newell of the National Board, has been considering revisions of the standards for gas systems for welding and cutting, but consideration is being continued until agreement has been reached.

Specifications for fire-resistant record vaults for protection of records against fire is the subject of the 1945 report of the committee on protection of records. A. J. Steiner of Underwriters' Laboratories is chairman.

The committee on safety to life, of which Lt. Col. F. R. Scherer of the office of the chief of ordnance, St. Louis, is chairman, and Robert S. Moulton, technical secretary of N.F.P.A. is secretary, will present a number of revisions in the 1942 edition of the building exits code. The code has been increasingly used since the Cocoanut Grove fire.

Providing Exits

The troublesome problem of providing exits within a reasonable distance in large-area buildings such as aircraft assembly plants has been covered by a new provision.

Minor revisions have been made in the section on places of assembly relative to stairway enclosures and to provide a specific provision to cover the problem of loose chairs in night clubs and similar occupancies.

Chairman A. L. Cobb, Eastman Kodak, of the special extinguishing systems committee will present amendments to the N.F.P.A. standards on carbon dioxide fire extinguishing systems, foam systems and water spray systems.

Several committees will make progress reports. The committee on aircraft fire

Former President of Texas Association Dies

Alden A. Evans, 50, Fort Worth, past president of the Fort Worth Insurance Underwriters Association, immediate past president Texas Association of Insurance Agents, and immediate past national state director from Texas to the National association, died early Monday morning after a long illness.

Mr. Evans was a member of the public relations committee of the N.A. I.A. and in spite of physical handicaps and disease continued his local, state and National association work up until a few months ago.

He was a graduate of Texas Christian University, where he won the annual oratorical reward and was editor of the college paper. He was reporter and copy reader for the Fort Worth "Star-Telegram," city editor El Paso "Herald" and "Times" and Tucson "Daily Star" before entering the insurance business 18 years ago with his father-in-law, the late Floyd McChesney. On Mr. McChesney's death, Mr. Evans became a partner with Chris Hill and continued the Fort Worth local agency of McChesney-Hill & Co. He was a veteran of the former war.

ALDEN A. EVANS



Maj. Sturhahn in Air Post

Maj. Edward M. Sturhahn, until entering the service in 1942 assistant secretary of Metropolitan Fire Reassurance and assistant underwriter of Northeastern, has been appointed executive assistant to Civil Aeronautics Administrator T. P. Wright, an AP dispatch reports. The announcement said that Secretary of Commerce Wallace requested the Secretary of War to release Maj. Sturhahn from his duties with the aircraft scheduling unit of the army air forces to accept this position.

New Claims Managers for Two Emmco Companies

Emmco has promoted M. J. Reigner to home office claims manager. He was formerly claims manager at Detroit and before that in the claim department in various capacities and at different locations. He has been with the company 10 years.

W. A. Mitchell, claims manager of the Indianapolis office for six years, has been promoted to home office claims manager of Emmco Casualty. He is a graduate of the Jefferson School of Law and is admitted to practice in Kentucky and Indiana.

National Union has got out a handsome etching print of General Eisenhower suitable for framing. It is brought out as a war bond promotion and attached is a quotation from Judge Learned Hand on liberty.

Fighting has developed an airplane crash fire fighting manual.

The explosion venting committee has made recommendations on the possibility of releasing without serious damage the pressure produced by dust, vapor or gas explosions in industrial equipment or buildings.

The committees on farm fire protection and fire prevention activities under T. Alfred Fleming of the National Board, on fire pumps under E. W. Fowler of the National Board, on firemen's training, and on general storage will report. The manufacturing hazards council, under Benjamin Richards and the committee on piers and wharves, will also submit proposals.

The reports have been published as part 2 of the April "Quarterly Magazine" of N.F.P.A.

Small Household Policy Is Problem

Expense of Handling This Class Takes Away Major Part of Profit

Fire companies in reviewing their experience find that the small household goods policy shows but little if any profit. This is not due to the loss ratio as it runs probably 39 or 40% but the cost of putting a policy through the books and taking care of it wipes out all the profit. Take a \$500 or \$1,000 policy. Most companies would rather not write the business because after the commission is paid and the other expenses are liquidated there is very little left. Agents unfortunately do not find it profitable to write such small policies because of the low commission. It is very much like the industrial life business. The companies writing industrial cannot afford to issue and take care of the business at the rates they charge for ordinary life insurance. The industrial rate is loaded because of the extra expense. Fire companies have not been able to make this distinction in the small household contents policies but it is a question whether some plan will not have to be worked out in order to make it an object to agents to write these contracts. In days gone by they were put in the preferred class.

Overlook Expense Items

Insurance commissioners in looking at the loss ratio frequently come to the conclusion that there is too much profit and order a decrease. They simply look at the amount paid out in claims but overlook the expense item which is necessary if the business is to be written. The subject of what to do with these small household contents policies is at present a baffling one.

Most companies now are reducing to a minimum the work and expense of handling these dailies. While in the past some mapped them, they are not being mapped now to any extent. In fact, the recording and bookkeeping are given short shrift before the report is put through the file.

Rate Competition Prohibited by Law, Minneapolis Board's Answer to Suit

MINNEAPOLIS—Rather than restricting competition in rates, as charged in the complaint, the Minneapolis Underwriters Association is prohibited by law from competition in rates. That is one of the answers which the association makes to the charges of conspiracy and boycotting made by Jack T. Miller, Minneapolis general agent, in his action against the local board brought in state court here.

The answer points out that under a state law all fire and windstorm companies operating in Minnesota must be members of a rating bureau; that discrimination in rates between like risks is prohibited by law; that the members of the association have no say in the making of rates nor in the appointment of agents, and that there is nothing in the by-laws of the association showing restraint of trade.

Walter H. Bennett of New York and Mark J. Woolley, Minneapolis, are attorneys for the association.

Warns Against Hasty Action

BOSTON—Because of the multitude of difficulties faced by the insurance business in adjusting itself to the insurance is commerce decision, Edward C. Stone, U. S. manager of Employers group at a legislative hearing, urged that sufficient time be taken to analyze the problem before corrective legislation is passed.

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"Refresher Guide" Now Ready for Use

Developments Since 1941
Shown in New "F. C. & S. Bulletins" Publication

The "Refresher Guide Course" of the "Fire, Casualty & Surety Bulletins" of THE NATIONAL UNDERWRITER will be off the press this week. It is the first publication directed specifically at bringing returning insurance men and women up to date on the changes in fire, casualty and surety lines since Jan. 1, 1941.

Compiled by James C. O'Connor, editor of "Fire, Casualty & Surety Bulletins," the "Refresher Guide," which runs 135 pages, is divided into 31 sections, each treating one important line. Each section lists the major changes in that line, explains their significance and use, suggests points to study and reading material on them and contains a few simple review questions.

Three Policies Discussed in Full

Because the broad form money and securities policy and the comprehensive dishonesty, disappearance and destruction policy are comparatively new and the personal property floater has been authorized in many new states, there is a complete description of these three contracts, instead of an outline of changes. There are also very full discussions of the new dwelling and contents form, 1943 New York standard fire policy, residence and outside theft policy and comprehensive liability policies.

The "Refresher Guide" sells at \$3 for single copies, with discounts for quantity orders. It may be obtained from The National Underwriter Company, 420 East Fourth Street, Cincinnati 2, or from any office of THE NATIONAL UNDERWRITER. If the demand justifies it, it is intended to offer later editions, incorporating future changes.

What's Going to Happen to Wives When Agents Return?

With the discharge of servicemen now under way, a ticklish problem arises regarding what to do with the wives who have been handling their husbands' insurance business while he has been with the armed forces. In many instances the women have indicated a desire to continue in the business. Naturally, the companies have an obligation to the fighting man to allow him to take up where he left off but in many cases the wife often has proven a far better agent than her husband.

This has been especially true in smaller communities. Prior to the war a large number of agents were content to "get by." The new women agents have been different. They are ambitious to make good and in some cases they have doubled and even trebled their husband's business. Field men fear that if the ex-agent comes back from service and reverts to his old habits that much of the expanded business now on the books may be lost.

It is possible that many veterans will continue to operate their agencies on a joint basis with their wives but in other instances the husband may not be so keen about his wife as a partner in business. The latter cases are causing field men to do some real thinking.

The Rock Island (Ill.) Association of Insurance Women has just completed the holding of examinations in its educational course under the N.A.I.A. program following a review by A. J. Higgins, agency supervisor of Aetna Casualty in Chicago, and has discontinued classes for the summer after covering 52 hours of the 100-hour program. Classes will be resumed in the fall. Instructors included Frank Cash, Preferred Accident; A. M. Dvorak, Indemnity of North America, and John Erickson, Western of Ft. Scott, Kan.

Increased Use of "Comic" Technique in Insurance "Ads"

NEW YORK—Cartoons and the comic-strip technique are finding increasing favor with insurance advertisers and surveys have shown a high degree of effectiveness both in holding the reader's attention and in influencing sales.

Some advertising experts believe that the effectiveness of cartoon advertising is partly due to the war. Apparently wartime tension makes people even more ready than usual to welcome anything funny. Another factor is doubtless the improvement in adapting the cartoon technique to advertising so that it sells the product as well as amuses the reader. If an advertiser pays enough money there is of course no trouble in getting funny cartoons that will make the readers laugh but unless the cartoons tie in naturally with the sales message they will not only lose much of their selling effectiveness but may cause many readers to wonder if the advertiser hasn't gone soft in the head.

Some of the earlier cartoon advertising was irritating to readers because it was fixed up to fool them into scanning it under the impression that it was a regular, non-advertising cartoon. Many of these drawings were rather pointless and though they did seduce the casual reader into looking at them and reading the sales talk included in the caption they tended to produce a feeling of resentment at having been, in a sense, cheated into listening to the advertiser's message.

The newer type of cartoon makes no pretense of being anything but advertising. Yet they are good enough to attract readers and many of these cartoons are sufficiently amusing and well tied in with the advertising message that they not only put the latter across more effectively than straight "reason-why" copy but they tend to make the reading public feel more kindly than before to this type of advertising.

Humor in advertising has always been regarded as a risky proposition, something that might backfire on the advertiser in totally unexpected ways. Apparently however the cartoon technique lends itself to such ready understanding that there is very little danger of a surprised advertiser getting letters of the "Dear Sir, You cur" variety.

U. & O. Coinsurance Case in Louisiana

The Louisiana supreme court recently construed the statute of that state prohibiting coinsurance on real property worth \$25,000 or less as voiding the co-insurance clause in a use and occupancy policy on a cotton warehouse. In Arcadia Bonded Warehouse Co. vs. National Union, it held that a \$5,000 use and occupancy policy under the coinsurance form should pay the full loss of \$4,245, although application of the co-insurance clause would have reduced recovery to \$1,250.

The Louisiana law prohibits coinsurance except on real property worth more than \$25,000 and on "personal or movable property." There was no question as to the amount of the insured's loss and the only argument was whether the statute voided the coinsurance clause in the policy. The court held that use of the property was an incorporeal right tied up with tangible property and in this case the right related to the use of the warehouse. On this reasoning, it was held that the incorporeal right flowed from real property and not from tangible movable property and hence that the coinsurance clause was inoperative.

Mother's Day Founded by Insurance Woman

Special interest attached to Mother's Day this year, which occurred last Sunday, by President Truman's proclamation calling for special V-E day prayers on that day. It is interesting to recall that an insurance woman originated the idea of having a special day each year set aside in honor of mothers. She is Miss Anne Jarvis, who was employed at the head office of the Fidelity Mutual Life at Philadelphia in the literary department. She left about the turn of the century but it was not until a few years later that she originated the Mother's Day project.

Miss Jarvis is still living, being now in her 80's. She resides at a home for aged women in Philadelphia. At one time some years ago she was in severe financial straits and it was suggested by some that the florists and candy manufacturers might appropriately come to her rescue in view of the extra profits which her idea brought to them. Actually, however, the sum necessary to get her in the home was contributed by a group of friends in the musical world.

Agent Comments on Bank-Agent Idea

F. A. Hewitt in the bulletin of the Hoover & Diggs Company agency at Pittsburgh comments on the great number of plans under which agents and banks will insure and finance automobiles after the war.

"We don't think any one company or group of companies will be smart enough to develop a plan that will assure it any particular edge on the business, although we don't blame them for trying when the prize is so juicy. We don't think any local association or board will be able to make a deal with a bank or banks to the exclusion of non-member insurance agents, nor do we think they should try to do so," the bulletin states.

Need General Plan

"We don't think any attempt should be made to restrict a given bank to direct financing only," Mr. Hewitt adds. All plans boil down pretty much to an arrangement with banks to finance the purchase of individual cars by customers of agents who bring deals in to the banks in return for the privilege of getting the insurance. Such arrangements may embrace additional considerations, such as the equitable assignment to agents of unattached or walk-in deals. The more general the plan can be made as to agents and banks in a given territory the more likely it will be a success, Mr. Hewitt comments.

Public Needs Reeducation

The Insurance Executives Association, National Association of Insurance Agents, and American Bankers Association should recognize the community of interest involved and the basic simplicity of the problem so as to correlate the plans of their respective members, the bulletin advises. The public has to be reeducated in connection with insuring and financing his car. The insurers, banks and agents should agree on one broad flexible plan that can be molded to suit the local interests of banks and agents in any community, Mr. Hewitt believes. He suggests the use of an unobtrusive yet distinctive box in every advertisement of a bank or insurance company, or in mail of any description from banks, companies or agents, reading: "It costs less, service is better, and it is good business to finance car purchases through a local bank and insure with a local agent."

Booklet on Cover of Loan Items Other Than Auto

A guide to help loan officers of banks to check the insurance coverage of would-be borrowers for almost any kind of loan has just been released by Hartford Fire and Hartford Accident. While attention just now is focused on local bank financing of car purchases, agents may overlook the strenuous efforts being made by banks to extend their local loans in other directions. Thus, whenever bank loans are made on accounts receivable, agricultural farm machinery, aircraft, commodities, field warehouses, income producing equipment and to service veterans, there is the need for checking on the adequacy of insurance and the possibility of selling insurance to comply with bank requirements. Very often the would-be borrower puts himself in better position to obtain a loan if he has all the necessary insurance before applying for the loan itself. Therefore, the booklet issued by the two Hartford, "Insurance Protection for Use in Extending Bank Credit," is of use to both the agent and the banker.

The booklet lists an outline of insurance coverages to show in the briefest possible form the protection afforded by these covers and also has an insurance summary sheet for the various covers to indicate the amount or limits in force, the amount of insurance required and the additional cover needed. To its agents the two Hartford are sending out a review of the principal kinds of loans with a description of the hazards to which the property pledged as security is subject.

Main & Baker Firm Formed at Sioux Falls, S. D.

The firm of Main & Baker, Inc., has been formed to take over the business and assets of the former co-partnership of Main & Baker in the Sioux Falls, S. D. territory. Officers are J. W. Baker, Minneapolis, president, and Wayne C. Foster, Sioux Falls, vice-president and secretary.

The firm adjusts fire, tornado, automobile and casualty losses for the companies in South Dakota, western Minnesota, western Iowa and northern Nebraska. The office will continue in the present location in the Paulton building at Sioux Falls and will be under the active management of Mr. Foster.

Main & Baker, which also maintains an office at Aberdeen, S. D., has been in the adjustment field for 42 years, with head offices in Minneapolis, servicing the companies in North Dakota, South Dakota, Minnesota, Iowa, Wisconsin and Nebraska. This office has been in charge of J. W. Baker of Minneapolis. Mr. Baker will continue his associations in this territory as well as having the active management of the balance of the field.

Mr. Foster has been with casualty and fire companies since 1919. He was auditor and claims supervisor of Western Surety, state agent of Queen City Fire and Hartford Accident and for 14 years has been with Western Adjustment. He is most loyal gander of the Dakota Blue Goose.

D. F. Mueller is now manager of Aberdeen, S. D. office, and Walter L. Eisenach has been named manager of the Duluth office. Both have been in the adjustment business for many years. Mr. Eisenach was a member of Western Adjustment for 19 years. Branch offices are also maintained in St. Paul, Bismarck, and Grand Forks, N. D.

New Brunswick Board Elects

F. C. Mortimer, manager of Palatine, has been elected president of the New Brunswick Board of Underwriters. Vice-president is A. W. Murray, manager of London & Lancashire.

Rochester, N. Y., Bank-Agent Plan on Automobiles Is Ready to Go

The Rochester, N. Y., bank-agency plan of financing and insuring automobiles has been set up there to keep the financial and insurance service to the car buyer, after the war, in the hands of local agents and banks in Monroe county. It has the same essential purpose as some other plans that have been devised, such as the Atlanta plan, the Rhode Island plan, the St. Louis plan.

A group of leading insurance people in Rochester have organized a corporation, Agent's Service, Inc., to serve a bank with prompt and satisfactory insurance on financed-car contracts. Participation is open to every agent, broker or direct representative of stock, mutual, participating stock or reciprocal carriers.

Objectives of Plan

Objectives are: To permit the agent to control the writing of financed car coverage in his own company where this can be done with convenience to the bank; where this is not possible, to see that the agent receives a commission equivalent to what he would receive had he been able to write it in his own company; to assure that when financing is over the business is restored to the agent and to his company; and to distribute equitably the business not previously controlled by any particular agent among all the agents participating in the plan.

The plan provides for distributing unassigned business only to those who are members of the insurance producers' organizations. However, every agent or office is privileged to join the organizations.

Agents will in effect be salesmen for financing facilities of banks, and this will help them meet the post-war competition of finance companies. The plan gives the banks a practical and simple method of providing prompt and automatic insurance service on finance cases.

Agents' Service is a non-profit insurance agency, designed to represent the insurance industry impartially. Ownership is vested in stock, of no par value, to be sold at \$5 a share for a total capitalization of \$5,000. An agent may buy no more than 10 shares, nor an office or agency more than 20 shares. The corporation is functioning and most of the stock has been sold. Ownership is limited to members of the Mutual Underwriters Board and the Underwriters Board of Rochester.

Agents' Service has already negotiated six master policies to be placed in the six banks of Rochester, and at least two of them already have been delivered.

If the agent and customer have arranged for insuring the car before financing, the agent may place the business directly in his own company. The banks will accept the policy of any company represented in Rochester. However, if customer and agent have not previously gotten together the bank will inform the customer that coverage will be written through Agents' Service under the master policy. The bank will get from the customer the name of his agent and will supply this to Agents' Service. Agents' Service will perform the necessary service and send the agent his commission.

The bank will permit the customer to have his policy written in a particular company, although it is hoped that this will be kept to a minimum in order to minimize any delays in attachment of insurance and not run the risk of having the customer fall into the hands of a finance company.

Where a customer goes into the bank, has no insurance connections and no wishes in that regard, the case will go to Agents' Service, which will write the business and credit it to the individual agents, alphabetically and in rotation, who are members of either the stock or mutual organizations. The agent will receive a copy of the certificate and a check for the commission in the same

manner as if he had been named by the customer at the time that the loan was arranged. Presumably the agent will contact the customer and try to sell him liability lines and other insurance if he can.

To avoid the possibility that an officer of a bank might arrange with an individual agent to steer to him an undue proportion of the leads developed through car financing loans, records of Agents Service are open to officers and directors and any insurance agent in Rochester. If a particular agent appears to be getting a suspiciously high percentage of leads, it would be simple to check. This is not expected to happen because banks understand the purpose of the plan and each bank could be expected to discipline such an officer.

Several Companies Bid

In Rochester 12 or 15 companies bid for the writing of the six master policies. The agency organization, Agents Service, Inc., then selected six carriers, one for each one of the banks writing a master policy.

Some fear that the use of the master policy plan by the banks may be a means of educating some of the banks into the method of handling financed car business so that the eventual result will be that the local agent might some time find himself competing with all of the finance companies and also with the banks themselves. Those who have this attitude prefer to keep the business as much as possible an individually handled transaction directly between the agent and the car buyer except for the financing itself.

The Rochester plan unites the interest of all banks and all insurance producers in a community but some question whether the producer may not, under this plan, lose some of his soliciting initiative because he will feel secure in getting some return under the plan even though he is not constantly active in actual policy selling. Probably only experience will provide the answer. Everyone is agreed that should the business producer begin to depend upon the publicity and advertising of the plan to do the actual selling, there might not be the total number of sales which would develop from independent selling by each agent. The plan also introduces the artificial group which is always a temptation inducing special bids, policy and practice arrangements.

Move to Form New Inland Marine Bureau

(CONTINUED FROM PAGE 3)

At the annual meeting of the I.M.U.A. Tuesday officers were reelected. President is S. W. Carey, III, Providence, Rhode Island; vice-president F. B. McBride, Fireman's Fund; chairman executive committee, G. Britton Lucas, North America.

Other members of the executive committee are H. B. DeGray, Appleton & Cox; W. F. Boylan, St. Paul; L. R. Ross, Phoenix of Hartford; O. C. Torrey, Marine Office of America; Harold Jackson, W. H. McGee & Co.; H. J. Bartlett, Boston; A. W. Barthelmes, North British.

Atlantic Mutual, which is a big factor in the marine field, has not decided what course to pursue. It is a member of neither the I.M.U.A. nor Mutual Marine Conference, but its practices generally correspond to those of the I.M.U.A.

Ohio Bank-Agent Publicity

A committee of the Ohio Association of Insurance Agents, composed of Henry Frankel, Cleveland, chairman; William A. Davisson, Lima, and Gustav May, Cincinnati, has formulated plans for a bank-agent publicity campaign.

April Losses Up 9% from 1944

NEW YORK—Fire losses in April are estimated by the National Board at \$37,950,000, up 9% from the April, 1944, total of \$34,746,000. For the first four months the 1945 total is \$165,148,000, 9.5% higher than for the corresponding figure last year. The three year record:

	1943	1944	1945
Jan.	\$ 27,733,000	\$ 38,572,000	\$ 44,865,000
Feb.	33,175,000	38,280,000	41,457,000
March	39,214,000	39,084,000	40,876,000
April	34,241,000	34,746,000	37,950,000
Tot.	\$134,363,000	\$150,682,000	\$165,148,000

Tot. \$134,363,000 \$150,682,000 \$165,148,000

Sidney Kennedy Tells of Correspondence on Truman

Sidney R. Kennedy, president of Buffalo, furnishes this exchange of correspondence concerning President Truman:

"Your readers," he writes, "might perhaps be interested in a recent exchange of letters between the home office of the Buffalo Insurance Company and Ahmann & Son, its agents in Independence, Mo.

"The president of the Buffalo wrote to Ahmann & Son as follows:

"Permit me to congratulate Independence on the elevation to the presidency, of its distinguished citizen, Senator Truman.

"'Around here, it is safe to say he takes office with the good will of everyone, irrespective of party lines. We all wish him the best of luck—and he certainly needs it.'

"While it is wholly unimportant, you might be interested to learn that when Senator Truman visited Buffalo a couple of weeks ago, he was entertained at lunch by Mr. and Mrs. Harry Yates in the Chapin Parkway house which was occupied by the writer and his wife until two years ago when Mrs. Kennedy wisely moved most of our personal property to our summer home in Litchfield, Conn., and ourselves into the Lenox, an apartment hotel in Buffalo."

"To this Elmer W. Ahmann replied:

"Events have occurred so fast during the past year that it is difficult for anyone in Independence to realize that Harry S. Truman is President. No doubt Mr. Truman has a hard time realizing it."

"I have known him personally for many years, have sat in lodge halls with him and have fought him in politics. He has been a good public official in the past. The people of Independence believe that he will be cautious in the beginning and that if he can surround himself by the proper type of advisers he will succeed."

"You will see, hear and read much about Independence in the future. For the past 30 to 60 days representatives of the large news agencies have been in Independence. Some of the pictures that you may see have been taken from my second-story office window which overlooks the public square."

Pass Mutual Surplus Bill

COLUMBUS—Both Ohio houses have passed a bill authorizing mutual associations to accumulate a surplus equal to five times the average claims and expense cost.

The body of D. B. McCormick, former special agent of America Fore in metropolitan Detroit, was recovered on the Canadian side of the Detroit river recently. Mr. McCormick and a companion whose body was found a month ago failed to return from a duck hunting trip on Lake St. Clair last Nov. 4.

Douglas F. Beach, 57, who had been a broker associated with the Conkling, Price & Webb agency, Chicago, more than 40 years, died at his home at Benton Harbor, Mich., after an illness of three weeks. Two sons, Warren and Douglas, now in the army, were formerly C. P. & W. employees.

Northern of N. Y. Forms Affiliate

NEW YORK—Northern of New York is forming a wholly-owned subsidiary to be known as Assurance Company of America. It will write fire and allied lines and will have a capital of \$1 million and a like amount of surplus. Its home office will be at New York. President George Z. Day of Northern will head the new company. Other officers are listed as incorporators of Assurance Company.

In organizing Assurance Company, Northern is bringing back a company that was originally incorporated in 1897 to take over all the business of Assurance Lloyds of America. It was merged with Northern in 1926.

Home, No. America Fire Ass'n Quit Executives Body

NEW YORK—Representatives of Home, North America and Fire Association have resigned from the Insurance Executives Association. Differences over association policies are understood to have caused withdrawals but there was no statement by any of the three companies or the I.E.A. At least one other company was reported to be on the verge of resigning. Membership in the I.E.A. is by individuals and not by companies.

Barbour Quits Publication

Robert L. Barbour, vice-president of the Underwriter Printing & Publishing Company, publisher of the "Weekly Underwriter," has resigned as of June 8 to become associated with G. Munro Hubbard, public relations counsel in New York City. Before joining the publishing firm, Mr. Barbour was public relations assistant of Mutual Life and before that he was associate editor of the "Insurance Field," which he joined after having been an agent of New York Life. He is a son of Robert P. Barbour, United States manager of Northern Assurance. The Hubbard firm numbers the Association of Casualty & Surety Executives and Atlantic Mutual among its clients.

Amend Installment Bill in Ohio

COLUMBUS—The Ohio house judiciary committee has amended and recommended for passage the Metzenbaum bill to regulate installment sales. The measure is broad enough to include automobiles. At the instance of the insurance interests an amendment has been adopted which says that "no provision of the act shall be construed as to impair the authority of the superintendent of insurance to grant, renew or revoke licenses nor shall the act be construed to authorize anyone other than a licensee of the division of insurance directly or indirectly to receive any part of the amount charged for insurance in connection with any retail installment sale."

Would Abolish Agencies, Not WDC

WASHINGTON—War Damage Corporation would remain undisturbed, along with one or two other Reconstruction Finance Corporation subsidiaries, under a bill offered by Senator Wagner, New York, chairman Senate banking and currency committee, at request of new Federal Loan Administrator John W. Snyder.

The bill, however, would abolish five other RFC subsidiaries, including Defense Plant Corporation, whose insurance division has supervised immense insurance operators during the war years in connection with government contract, operation of leased plant war plants, equipment and machinery, and other phases of the war program.

Brokers Tell Stand on Various Restrictive Laws

National Group Submits Memo to Commissioners on Countersignature

NEW YORK—Countersignature laws which result in a substantial share of commissions going to resident agents for merely signing their names were strongly attacked in the statement presented on behalf of the National Association of Insurance Brokers to the federal legislation committee of the National Association of Insurance Commissioners at its meeting here. B. W. Blakey of Benedict & Benedict, New York, chairman of the legislative committee of the brokers, read the memorandum, which also assailed "laws enacted under the guise of protecting the solvency of companies which eliminate or greatly restrict competition," and those which discriminate against non-residents.

The statement said that "if the states are to retain control, we feel that there must not only be a general uniformity of control throughout the United States but that the laws enacted must have, as their primary purpose, the benefit of the insuring public rather than the benefit of a privileged few." The statement recommended that rating laws should be uniform among the states as far as possible and should give the state adequate supervisory authority over all rates made, whether by individual companies or by companies acting in concert. It should be flexible so as to permit reasonable deviation when justified by conditions or experience.

Want Size Differentiation

"We feel most strongly," the statement continues, "that small risks should be separated from large risks and separate base rates promulgated for each class which will reflect their over-all experience. Unless a flexible rating procedure can be adopted, large risks and risks of special character are more than likely to revert to self-insurance."

The National Association of Insurance Brokers would like to see laws for the qualification of brokers and agents enacted in all states as a protection to the insuring public and provisions made in all states for licensing brokers, both resident and non-resident, separate and apart from agents, since "the broker is primarily the direct representative of the insured and should be recognized by the states and the insurance companies as a servant of the insuring public."

Sees Commerce Barrier

The brokers' memorandum points out that there are many laws now in force in various states which, while permitting the licensing of non-resident brokers, either severely limit the activities of non-residents by prohibiting the solicitation of business within the state issuing the license or by making the license fee so high, out of all proportion to the charge to residents, as to be virtually an unwarranted discrimination. The brokers believe that all laws unreasonably restricting the activities of non-residents are burdens on interstate commerce and should be repealed and that there should be no difference between a license fee for residents and non-residents.

As to laws which give the resident agent a large proportion of the total commission just for signing his name, the brokers feel that while in many

Special Needs of Inland Marine Under Rate Laws

NEW YORK—The Inland Marine Underwriters Association has issued a memorandum on rate regulation as applied to inland marine insurance, setting forth the need for certain exceptions under rating laws. The organization sets out a suggested inland marine insurance section for such laws embodying its ideas on what is needed. The memorandum is given below.

Since the decision of the U. S. Supreme Court in the case of the Southeastern Underwriters Association, legislation has been introduced in many states with a view to regulating insurance rates or broadening the scope of rating laws already on the statute books. One purpose of this legislation is to enable the companies, under state regulation, to fix and maintain uniform rates, which might otherwise be illegal under the federal antitrust laws. We are in sympathy with this general purpose, and have no objection to the general framework of most of the rating laws which have been proposed or enacted. The purpose of this memorandum is to emphasize the importance of carefully considering the scope of such rating laws in the light of the practical necessities of the business. In particular, we desire to stress the danger of extending rate filing requirements to the kinds of insurance which are not susceptible of such treatment, and thereby regulating the business out of existence or driving it out of the state, or even out of the United States. There are now pending in a number of states rating bills which make no exception (or make inadequate exceptions) with respect to inland marine insurance. Under such laws it may be impossible to write many types of policies which are now written under the general description of inland marine insurance. More than half of the business included under this general classification is of such a character that the insurance companies who write it have never attempted to standardize the policy forms or to bring the business under any tariff or rating plan, recognizing that the business was not susceptible of such treatment. The reason for this is the great disparity in the character of the risks and in the degree of protection desired by the assured.

Some of Business Standardized

Inland marine insurance is a relatively new development in the field of insurance. Thirty years ago there was in this country no adequate market for the insurance of what are now termed inland marine risks. A certain amount of insurance was written on such classes as tourist baggage, parcel post and transportation risks; but the volume was small, and most of the insurance of miscellaneous risks which did not fall under any of the standard insurance policies (such as fire, burglary, theft, &c.) was sent to London. A number of American companies saw the possibilities of this miscellaneous business, and began to develop it through their marine departments. After a generation of more or less experimental operations in this field, certain types of inland marine insurance have developed to a point where there is a sufficient background of underwriting experience and a sufficient country-wide volume of business to enable the companies to standardize their practice as to rates, forms and conditions on a country-wide basis. As to such business, our members are able and entirely willing to file their rates and forms.

Our members, however, are greatly concerned as to the effect of rating laws on the great number of unstandardized risks which not only furnish more than half of the volume of inland marine insurance premiums written, but also give to this branch of the insurance business its characteristic flexibility and its adaptability to new conditions. In-

cases resident agency laws may serve a purpose there is no justification for a countersigning fee other than a nominal fee commensurate with the services actually rendered.

Finally, the memorandum expresses the belief that laws are unfair which enable local agents' associations or insurance companies by themselves or through boards or bureaus to make rules or regulations for the benefit of any particular class to the detriment of others. Such laws have not been for the benefit of the insuring public, the memorandum states, making it clear that it does not refer to such rules or regulations as are supervised by state authority.

land marine insurance originated not in the desire of the insurance companies to write it, but in the desire of the public to obtain it. In order to perform its proper function, the insurance market must be able to supply what the public wants and needs. The growth of commerce necessarily involves the need for new forms of insurance protection. As illustrating the impossibility of freezing or crystallizing insurance forms, we need only mention the automobile and the airplane, both of which are comparatively recent inventions which required new and special types of insurance protection. The automobile has now been in use for so many years and the number of insurable units is so great, that this business can be, and has been, standardized. The airplane, on the other hand, is still a comparatively new type of vehicle; the underwriting experience is comparatively short; and the number of insurable units is still small: so that insurance practice in this field has not yet been standardized.

Sixty Kinds of I. M. Cover

In order to give a general idea of the scope of this business, it may be noted that there are upwards of 60 different types of inland marine insurance which are commonly written throughout the United States.

New insurance needs must and inevitably will be met. If one state, by attempting to unduly standardize inland marine insurance practice, makes it impossible or impracticable to adapt unstandardized policies and rates to individual requirements and to the new or changing needs of commerce, the insurance will inevitably flow to other markets which can supply what the assured demands. In this connection it must be borne in mind that a very large proportion of the unstandardized risks written under inland marine policies are essentially transportation risks which have no situs in any particular state and, therefore, can readily be placed in any one of a number of states, or in London. An important example of such risks is motor truck cargo insurance. The character of these risks depends on numerous factors, such as the type of vehicle used, the character of cargoes carried, the routes followed and many other circumstances which vary with each risk. As to carriers of interstate shipments, the Interstate commerce commission prescribes certain minimum conditions, but otherwise the policies are written to meet the special requirements of the individual assured. No way has been found to standardize these risks or to bring them under any tariff; and even if it were practicable to do so, the result would be merely to drive the business into a more flexible market. Moreover, a very substantial number of policies are issued to cover trip risks, i.e., to cover one shipment under conditions which may never recur. These policies cover such varied items as radium, furniture, clothing, &c. The perils and other conditions affecting

(CONTINUED ON PAGE 8)

New Reinsurance Office at Chicago

Excess Underwriters, Inc., have appointed Howard E. Mankin vice-president in charge of the newly opened office in the Insurance Exchange building in Chicago. Mr. Mankin was recently vice-president of Pennsylvania Casualty there and previous to that time was manager of the marine division of Pacific National Fire at Chicago. Prior to that he was marine manager of Hartford Fire in the west and was once superintendent of the western marine department of Aetna Fire.

Establishment of the new office will bring the facilities of Excess Underwriters closer to the companies and production forces of the middle west. The office is equipped to handle all forms of fire and casualty reinsurance as well as excess covers.



H. E. Mankin

Miss. Brings Tax Suit Against Factory Mutuals

Seeks License and Premium Levies for Six Years

JACKSON, MISS.—Suit has been brought here by Carl N. Craig, state tax collector, against each of the factory mutual companies for Mississippi license and 3% premium taxes for the six year period 1939-45. Named as garnishee defendants are the Mississippi assured of the factory mutuals. The total recovery sought including penalties is \$44,091.

The factory mutuals are not licensed in Mississippi, but Craig charges that they have done everything in the state that a foreign insurer is required to do including making plans, appraisals, valuations and adjustments and are liable for the same tax as licensed foreign insurers.

A law was enacted in Mississippi several years ago putting the responsibility for premium tax payments on assured that patronize non-admitted insurers, but no attempt has ever been made to enforce that statute and Craig is not relying on that provision in his suit.

Sues in Chancery Court

The action was brought in chancery court, first judicial district of Hinds county.

The assured Craig seeks to compel to disclose the amount of premiums they have paid to the factory mutuals during the past six years.

They are: Aponaag Manufacturing Co.; N. & W. Overall Co.; Masonite Corp.; Reliance Manufacturing Co.; Laurel Mills; Armstrong Tire & Rubber; Standard Drug; Soule Steam Feed Works; Ingall Shipbuilding Corp.; Flintkote Co.

The suit asks for payment by each of the factory mutuals of the \$200 license fee for each of the past six years plus \$100 annually as penalty, a total of \$1,800 for each company and 3% premium tax plus 1 1/2% in the way of penalty.

Vt. Moves to License Rating Bureaus

Deputy Commissioner Albert D. Pingree of Vermont has addressed the fire and casualty rating organizations throughout the country that have anything to do with making rates in Vermont, requesting them to apply for license in Vermont under the recent amendment to Chapter 281 of the Vermont laws. The meaning of that amendment is open to question and it can be construed as applying only to strictly fire insurance business. Mr. Pingree in his letter enclosing a form of application states that admittedly if a rating organization is not domiciled in Vermont and is not concerned with strictly fire insurance the department has no way of enforcing the licensing of such a bureau but nevertheless he requests that all such rating organizations complete and file the application for recognition.

Estimate N. Y. Warehouse Loss at \$2 Million

The committee on losses and adjustments of the New York Board estimates at \$2 million the loss to contents of the Towers Warehouse, 281 West street, New York, in the fire April 9.

Lausche Urges Ohio Tax Law Passage

Governor Sends Strong Message to Legislature Asking Immediate Action

COLUMBUS—Citing the opinion of the U. S. Supreme Court in the S.E.U.A. case and the present taxes levied in Ohio, Governor Lausche in a message to the legislature this week said that if House Bill 390 is not adopted and if the present law should be declared invalid by the courts, the state will suffer the loss of a substantial part of the \$17,600,000 premium taxes now received in the biennium from foreign insurance companies. He said tax bills similar to the Ohio bill have been introduced in 29 states and so far 15 states have passed such legislation.

The governor declared that it is "essential that no state discriminate against foreign companies that are engaged in interstate commerce by unequal taxation." He declared that "the amount of money the state has at stake is entirely too large to justify the legislature and myself to quiescently speculate and hope that the present law will be upheld. If we were the managers of a private business, and we were confronted with a hazard so great, we would not speculate, hope and pray, but would immediately take remedial steps to positively protect our employer against possible impending loss."

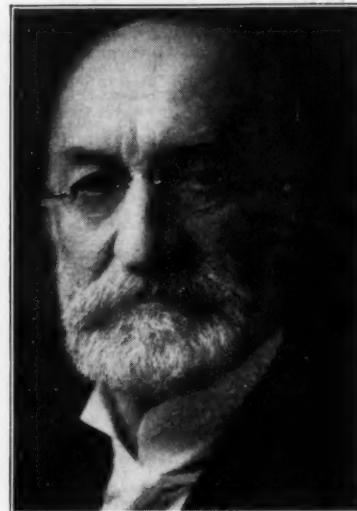
He said that five foreign life insurance companies on March 1 paid into the state treasury under protest \$729,903 and immediately filed suit seeking the recovery of the taxes so paid and obtained injunctions restraining the state treasurer and superintendent of insurance from enforcing the present statutes against them. Sixty-six other foreign companies paid taxes March 1 amounting to \$719,464.

"House Bill 390," the governor said, "was introduced for the purpose of avoiding the great financial loss that will come to the state in event the pertinent sections of the present tax law are declared invalid. While no positive prediction can be made, it is entirely possible that the five companies with suits pending might be successful with their litigation, thereby disrupting the entire revenue program of the state."

Overpay State Taxes, Can't Get Money Back

The current interest in premium taxes calls attention to the experience of several companies in a midwest state. Taxes were paid by the companies promptly, in some instances before they were actually due. The companies then were notified of certain credits due them, in one instance amounting to \$8,000. The companies moved promptly to get back their money, but the checks already had been cashed by the state. They went to the state auditor, the state treasurer, the attorney general, and to several other state officials. Everywhere the response was the same. The officials were extremely sorry, they thought that the companies should have their money back, it should never have been charged against them, but they didn't have authority to do anything about it. The insurers checked the possibility of filing suit but discovered a long line of decisions had held that unless fraud were shown on the part of tax officials, the overcharge could not be recovered by suit. The only means of recovery was by an act of the legislature. The companies finally gave up and kissed the money good-bye.

H. J. Grant, Insurance and Church Leader in West, Dies



HEBER J. GRANT

Heber J. Grant, 88, probably the oldest insurance executive in point of service and age in the west, died at his home in Salt Lake City after an illness of several weeks. He was president of the Church of Jesus Christ of Latter Day Saints at his death, a post he had held for 26 years.

He had been president of Utah Home Fire for some years. He established the Heber J. Grant & Co. general agency in 1886 and continuously headed it until his death, and he had been president of Beneficial Life of Salt Lake City since 1918.

He entered the insurance business at the age of 15 as a clerk for a Salt Lake City insurance office. Thus his insurance career spans the amazing total of 75 years. He was a unique combination of business and ecclesiastical leader. He was the supreme head, spiritual as well as temporal of the Utah branch of the Mormon church.

Two of Mr. Grant's sons-in-laws are prominent in insurance, G. J. Cannon, executive vice-president of Beneficial Life, vice-president of Grant & Co., and vice-president of Utah Home Fire, and J. G. Midgley, manager-treasurer of the Grant & Co. general agency.

Mr. Grant was born in Salt Lake City in 1856, shortly after the Mormon settlement was founded. His father was the first mayor and a close associate of Brigham Young. He was the father of nine daughters. They and his widow survive.

New York Board Elects Riordan President

The New York Board of Fire Underwriters elected the following officers at the annual meeting Wednesday: President, William A. Riordan, general manager Aetna Casualty; vice-president, Ronald R. Martin, U.S. manager Atlas; assistant secretary, E. V. Treacy, president Edgard V. Treacy Co.; assistant treasurer, H. J. Kiefer, secretary and New York manager Aetna Fire. E. C. Niver was reelected secretary-treasurer. The only committee changes were the appointment of E. P. Smith, U.S. manager of Norwich Union, to the finance committee and George F. Kern, president of Fuller & Kern, to the fire patrol committee.

Provide Fire Prevention Books

Books on fire prevention which were purchased jointly by the Rock Island and Moline (Ill.) Associations of Insurance Agents are being turned over to Floyd A. Shetter, county superintendent of schools, for distribution to rural schools. The Rock Island association has amended and modernized its constitution and by-laws. Herman D. Budeler has been elected a member.

Aetna Fire Files Tax Equality Suit in Kan. High Court

Aetna Fire has filed suit in the supreme court of Kansas for a writ of mandamus to require Commissioner Hobbs to issue the company a certificate of authority, although the company has not paid the 2% premium tax, the 2% firemen's relief fund tax, and the \$2 per agent license fee. In its petition the company charges that the imposition of such taxes and fees is unlawful, unconstitutional and improper and that it violates the commerce clause of the constitution and the 14th amendment. The company points out that the Supreme Court has held insurance is commerce and the company is entitled to the protection and immunity granted by the constitution.

Tax Unequally Applied

The petition makes explanation that a foreign stock company is required to pay all of these taxes but a Kansas insurer pays only 50 cents per agent's license and no premium or relief fund tax. In paying the filing fee and in filing the charter, by-laws, etc., as required by law the company has complied with the reasonable regulations of the state, it asserts, on a voluntary basis and out of a desire to avoid the appearance of not complying. Since it did not pay the premium taxes, the commissioner refuses a certificate of authority. The commissioner is not entitled, under the law or the constitution of the United States, to demand and collect the agent's license fee and the taxes referred to, the company states.

The petition further contends that the state cannot impose a direct burden upon companies engaged in interstate commerce. The commerce clause prohibits a state from discriminating in its tax against interstate commerce, and from requiring the payment of taxes and fees for the privilege of engaging in and carrying on such commerce. The 14th amendment guarantees the equal benefit and protection of the laws. The petition asks the court for a writ of mandamus requiring Commissioner Hobbs to issue a license and to hold the company not liable for the 2% premium tax, the 2% firemen's relief fund tax and the \$2 per agent license fee.

Answer by July 2

The commissioner and the attorney-general have until July 2 to answer. George Brewster of Wheeler, Brewster, Hunt & Goodell is representing the company.

The company has paid taxes under protest in several other states where the premium tax was not equalized as to domestic and foreign insurers.

Filing the suit directly in the supreme court of the state, which is permissible in Kansas, should bring the issue of tax inequality before the U.S. Supreme Court rather promptly.

It is understood that some of the other fire companies have paid taxes under protest in states where they are still unequally applied to domestic and foreign insurers. However, it has been largely the life insurance companies that have taken legal action to test the validity of unequal levies.

Fraser Heads Elgin, Ill., Agents

C. N. Doyle has resigned as president of the Elgin (Ill.) Association of Insurance Agents and John A. Fraser, vice-president, has been elected president. Mr. Doyle elected to revert to the less active post of vice-president. Mrs. Mabel M. Sills is secretary-treasurer.

Herbert L. Regan of Joliet, Ill., chairman of the fire and accident prevention committee of the Illinois Association of Insurance Agents, has returned from Canada, where he attended the funeral of his father, 82, who died from pneumonia.

Commissioners Call on Biddle for Attitude

WASHINGTON—Will acts of alleged coercion, intimidation and boycott in the insurance industry be prosecuted by the Department of Justice? This and problems of state legislation and regulation with relation to public law 15 and the Southeastern Underwriters Association decision were among the principal matters on the minds of a delegation of state insurance commissioners who called on President Truman last Wednesday and conferred for nearly an hour on Thursday with Attorney General Biddle.

Both events were "off the record," and it is not known what answers were obtained at the department. Speaking for the commissioners, Harrington of Massachusetts said anything given out would have to come from the attorney general. Pointing out that the commissioners had asked for the appointment, a spokesman for the attorney general said he had no statement to make and referred inquirers to the commissioners.

Those Who Attended

The delegation included members of the National Association of Insurance Commissioners committee on federal legislation and association officers: Harrington, NAIC President Newell Johnson, Minnesota, and Vice-president McCormack, Tennessee; Scheufle, Missouri; Garrison, California; Dineen, New York. The latter was accompanied by his deputy, Walter Martineau.

Under public law 15, commissioners pointed out, coercion, intimidation and boycotting were not included in the moratorium provision. The question was whether the department of justice is going to do anything about them, or let the moratorium apply also to such acts, if any.

It was said the commissioners' delegation were making a "courtesy call" on the attorney general at this time.

If they could get his ideas, how he feels about the present situation, and the attitude of the government during the moratorium interim,—well and good, delegates indicated. It was in that connection that the question of department policy with respect to coercion, intimidation, boycott, arose.

As for the question whether S.E.U.A. would have civil proceedings instituted against it by the department, a member of the delegation said they were "not interested."

Among department of justice people present at the conference besides Biddle was Attorney Gorman, insurance specialist of the anti-trust division.

The White House conference was occasion for a get-together of Missouri insurance people. Scheufle, who "knew the President when," presented other members of the commissioners' delegation.

Asked if any impression was obtained as to the attitude of the new administration towards the insurance industry, a member of the delegation said they "were not trying to spot the President."

Besides seeing the President and attorney general, members of the delegation also visited Capitol Hill and talked with Senator O'Mahoney, Wyoming, and other members of Congress.

Situation in Senate

There will be no meeting of the Senate judiciary subcommittee on insurance legislation until after the state legislature sessions have concluded, according to information obtained at committee headquarters. How soon it will meet, or for what purpose, could not be learned.

The suggestion heard is that somebody may wish to review legislatures' results in connection with Senator O'Mahoney's suggestion that public law (CONTINUED ON PAGE 15)

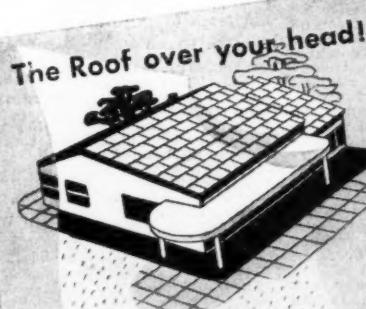


*Is this kind of home worth saving for—
and Protecting!*

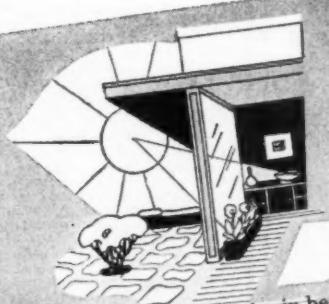
When you think of the kind of home you can have tomorrow—think of these practical, proved advantages that can be yours!

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new world" beyond the horizon . . . the overwhelming majority are in existence *right now*, only waiting for the mass demand that will follow the war, plus availability of materials to make them as practical a part of your daily life as a loaf of bread!



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OR THINK of that solar radiation being supplemented by radiant heating—heat that fills the room evenly with the cheery warmth of a sunny morning, that comes from floor, wall and ceiling—in use in 500 homes today.



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Special Needs of Inland Marine

(CONTINUED FROM PAGE 5)

these risks differ in each case, and the policy must be drawn and issued immediately or the risk would have expired before the policy could be issued. To require the filing of rates for such risks would place an impossible burden not only on the insurance company, but on the assured as well, and would amount to legislating this business out of existence or driving it out of the jurisdiction.

Installment Sales

Another type of inland marine insurance is the insurance of vendors of machinery and other material during the period of transit and installation. A much larger field, which affects a far greater number of people, is the insurance of property sold on the installment plan, until the final payment is made. For the vendor to take out a policy insuring each item sold in a particular location, would obviously be impracticable. It would be equally impracticable to standardize the rates and forms for a business which not only involves a great variety of risks, but must be prepared to deal promptly with new types of risks in order to keep pace with the progress of industry.

In the case of bridges and tunnels, the property insured has a definite situs; but the character of the risk is dependent not only on the type of construction, but on the character of the rock or soil on which the bridge and its approaches rest. No two risks are exactly alike; and the persons responsible

for taking out the insurance (often a bridge authority or other public body) frequently require special conditions to be included in the policy in language designed to meet the terms of debenture bonds.

Perhaps the most characteristic feature of inland marine insurance is its extreme flexibility which enables it to meet new situations promptly and effectively as soon as they arise. Inland marine underwriters have been pioneers in the insurance business, always ready to explore new territory and to supply new facilities which are necessary to keep pace with the development of our economic and commercial affairs.

A striking example of the foregoing was the insurance of the art exhibition at the recent world fair exposition in New York. The amount at risk under one roof was at times as high as \$27,000,000. The business taxed the entire capacity of the market, but it was fully covered by "all risk" policies written in this country.

Presents New, Special Problems

In pointing out the difficulty of rating certain inland marine risks, we do not mean to suggest that this business is not susceptible of regulation, or that it should not be subject to regulation. On the contrary, we have no doubt that the states have ample power to restrain and correct any abuses which may arise in this field. Our point is that inland marine insurance is a relatively new business which presents new and spe-

cial problems, and which cannot exist under a rigid system of regulation. We have no doubt that a method of regulation can be worked out which will satisfy the requirements of the antitrust laws and still permit the inland marine insurance business to retain its characteristic features. The most disturbing feature of the present situation is that efforts are being made to deal with the whole subject of rate regulation in bills hurriedly drafted with a view to passage at the present session of the legislatures in the various states. We submit that this approach to the problem is unfortunate. Rate regulation is a complex and very important subject which is worthy of extended study. In the McCarran-Ferguson bill (S. 640-public law No. 15), Congress wisely suspended the antitrust laws as applied to the insurance business for a period of nearly three years, thus affording ample time for a careful study of the problems presented by the decision of the Supreme Court in the case of the Southeastern Underwriters Association. It is therefore unnecessary, and we believe it is unwise, to press for the enactment of emergency legislation at this time. It is far better to delay legislative action for another year or two than to run the risk of destroying or driving out of the country important classes of insurance business.

As illustrating some of the problems which have to be faced in connection with the regulation of inland marine insurance rates, we attach hereto a suggested section dealing with this subject. The purpose and effect of this section may be very briefly summarized as follows:

Summary of Suggested Section

1. It excludes from the rating regulations all marine, as distinguished from inland marine, insurance. The necessity for this exclusion is, we think, generally recognized and requires no discussion.

2. It subjects to the rating regulations all inland marine risks for which class rates or rating plans are customarily fixed by rating bureaus; and all special rates fixed by such bureaus. Thus, it excludes from rate regulations the unstandardized risks hereinbefore discussed; but in order to protect the companies from attack under the antitrust laws, it requires rates to be filed even on special risks when fixed by rating bureaus. A very large volume of unstandardized risks is written by individual companies which fix their own rates and, therefore, are not subject to the federal laws with respect to combinations in restraint of trade. Where the amounts involved are so large as to require the combined underwriting capacity of a number of companies, the rate may be fixed by a rating organization and thus brought under the state law.

3. Provision is made for special rates to become effective as soon as filed; otherwise the writing of special risks would be impracticable, as the assured obviously cannot wait a month or more for his coverage.

4. In order that the commissioner may have general control over the inland marine insurance business, the proposed section provides that he "may investigate rates not required to be filed under the provisions of this section, and may require the filing of any particular rate not otherwise required to be filed." It is felt that this would give the commissioner the necessary control over the business without rendering the conduct of the business unduly burdensome or impossible.

5. Provision is made specifically for national rating organizations. This is especially important in the inland marine field, both in the interest of economy and because the volume of premium in one state would not afford an adequate basis for rating. There is also the factor mentioned above, that many inland marine risks have no definite situs, and cannot properly be rated with reference to any one state.

Covers All Situations

We appreciate that much of the material contained in our proposed section may be covered by other provisions of the insurance laws in the various states, so that it may be unnecessary to deal with these matters in the section relating to inland marine insurance. However, we have thought it best to incorporate in the attached draft all of the points which are particularly important in the field of inland marine insurance. Whether they are all contained in one section or in a number of different sections is, of course, unimportant.

The wording of our proposed section is, of course, necessarily tentative and subject to further consideration. We have used the language which seemed to us most clearly to express the basic needs of our business, but the precise wording of the legislation is not a vital matter so long as the substance of our proposal is preserved.

In view of the decision of the Supreme Court in the case of the Southeastern Underwriters Association, regulation of the insurance business is essential. We believe, however, that no one advocates a system of regulation which would destroy or drive out of the country any legitimate form of insurance. Unethical or otherwise improper practices

Mutuals Seek to Kill New Ariz. Law

A move to kill the recently enacted Arizona bills which contain among other things rate regulation provisions has been started by mutuals and reciprocals. They have employed Attorney Henderson Stockton of Phoenix to conduct a campaign to get signatures for a referendum against Senate bills 65 and 67 which were recently enacted. It is expected that the National Board and Pacific Board will combat the campaign. The mutuals seek to put the measures on the 1946 general election ballot.

It is understood that the mutuals object particularly to that part of Senate Bill 67 which provides for a commission consisting of local agents to serve as a board to conduct license examinations. Senate bill 65 is the fire and casualty rating law.

Brokerage Claim Rejected

The suit of J. F. Clark of Richmond against Virginia Fire & Marine and William H. Palmer, Jr., one of its officials, for \$85,000 was dismissed this week in law and equity court when the jury refused to return judgment in his favor. He based the action on claim that he entered into an agreement with Mr. Palmer to sell the company prior to its acquisition by Globe Indemnity. Mr. Palmer denied that such an agreement was entered into.

should, of course, be forbidden and stamped out; but any legitimate form of insurance which serves the public and constitutes an important aid to the commerce of the country should not be penalized or destroyed merely because it does not lend itself to some particular form of regulation.

Section Given

Section..... Inland Marine Insurance. The provisions of this section shall apply to all insurance which is now or hereafter defined by statute, by ruling of the commissioner of insurance or by lawful custom as inland marine insurance; but this act shall not apply to insurance of vessels or craft, their cargoes, marine builder's risks, marine protection and indemnity, or other risks commonly insured under marine, as distinguished from inland marine, insurance policies.

(a) As to all classes of inland marine insurance for which class rates or rating plans are customarily fixed by rating bureaus, rates or rating plans shall be filed by all authorized insurers writing such classes, with the commissioner in such manner and form as he shall direct; and all special rates fixed by any such bureau shall be similarly filed. All such rates shall be reasonable, adequate and not unfairly discriminatory. Due consideration shall be given to past and prospective loss experience within and outside the state, including catastrophe hazards, to a reasonable margin for profit and contingencies, to policyholders' dividends in the case of participating insurers, and to all other relevant factors within and outside the state.

Gives Commissioner Control

(b) Any filing made pursuant to this section shall be approved by the commissioner unless he finds that such filing does not meet the requirements of this section. As soon as reasonably possible after the filing has been made, the commissioner shall in writing approve or disapprove the same; provided that any filing of class rates or rating plans shall be deemed approved unless disapproved within thirty days, and provided further that special rates shall be deemed approved from the date of filing to the date of formal approval or disapproval. The commissioner may investigate rates not required to be filed under the provisions of this section, and may require the filing of any particular rate not otherwise required to be filed.

(c) An insurer may satisfy its obligation to make such filings by becoming a member of, or a subscriber to, a licensed rating organization which makes such filings, and by authorizing the commissioner to accept such filings on its behalf. A corporation, an unincorporated association, a partnership or an individual, whether located within or outside the state, may be licensed as a rating organization for inland marine insurance subject to the conditions, not inconsistent herewith, prescribed by law for such organizations in connection with other kinds of insurance. An insurer may belong or subscribe to an inland marine rating organization for inland marine insurance, and also to other rating organizations for other types of insurance.

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FIELD

Linnell Feature Attraction of Ill. Pond Meeting

More than 50 attended the dinner meeting of the Illinois Blue Goose at Chicago Monday at which Thomas G. Linnell, Minneapolis general agent and most loyal grand gander, spoke. Mr. Linnell and R. A. Kenzel, Phoenix of London, Milwaukee, grand wielder, participated in the initiation ceremonies. E. M. Eichenberger of Royal-Liverpool, Joliet, m.l.g. of the Illinois pond, presided.

Ganders in Service.

The Blue Goose is a unique organization, Mr. Linnell said, and he gave an effective outline of its formation and purposes. He said that when he assumed the grand gander post he set up three main objectives, to keep up home front activities and support the war, maintain loyalty of field men to the business so that they would play fair

with the companies and the public, and discharge the duty to members, through charity, fellowship and character.

He emphasized particularly the importance of what ponds can do for members in service. The international organization is listing positions that are available so that if a field man in service does not intend to go back to his own company, he will have an alternative or two available when he returns. All of those in the armed forces to whom this service has been offered have been extremely pleased, Mr. Linnell said. Only three so far have indicated a desire to make a change out of the many who have been written.

Ganders in service already are starting to come home, Mr. Linnell pointed out. Each pond should decide on its own program of service for these members. One pond in the south set up a \$1,500 fund which can be used whenever necessary for rehabilitation. Some ponds have prepared refresher courses, covering changes since the gander entered service, and these are proving valuable.

Honor R. A. Buckman

Royal A. Buckman, retired adjuster of the Royal-Liverpool group, was honored at the meeting with a life membership in the order. A. J. Myer of Automobile made the presentation. Mr.

Buckman joined the Blue Goose in 1906 and has always been active in its affairs. Mr. Kenzel spoke briefly. A. R. Kasuls of Western Adjustment at Aurora and J. R. Brink of the Linnell general agency at Minneapolis were visitors. Initiates were R. C. Knaack and Paul F. Capps of North British, Chicago; Ed. A. Birkemeier, Fireman's Fund, and Kenneth Force, NATIONAL UNDERWRITER.

reports of their Fire Prevention Week and year around programs.

Plans for a more effective presentation of fire safety education in Kansas schools to include talks at the 105 annual county institutes of school teachers were discussed by Dean Earl K. Hillbrand of Wichita University.

A resolution was adopted commanding the work of the state fire marshal's department headed by Fred A. Werbe who was present.

Sgt. J. C. Pedersen, fire department instructor with Boeing Aircraft, Wichita, gave a demonstration of industrial fire protection equipment.

Blue Goose Memorial

The late Col. Sam F. Woolard, former Commercial Union state agent and Willard Quinn, founder of Kansas Underwriters, were honored at the memorial services held by the Kansas Blue Goose.

O. D. Butcher, Hartford Fire, Topeka, was named chairman of the evaluation committee of the Kansas State War Inspection Service. All other officers and committeemen are continuing. V. E. Herbert, assistant state director, Topeka, announced that 451 plants had been inspected during the first year. Out of 1,829 recommendations, 51.7% have been complied with to date. Lt. Col. C. A. Picken, regional industrial protection officer, lauded the SWIS accomplishments.

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IN MEXICO CITY: Oficinas de Ultramar de Mexico S. A. Isabel La Católica, No. 45, Mexico, D. F. Phone Mex. L-1063.

Maritime Man Pittsburgh Speaker

PITTSBURGH — Particular interest is being taken in the meeting of the Smoke & Cinder Club here the evening of May 28 because the speaker is Allen D. McLean, director of the production division of the U.S. Maritime Commission. For 15 years he was vice-president and chief engineer of Pittsburgh Equitable Meter Company. An invitation is being extended to the insurance fraternity of Pittsburgh to attend this meeting. Edward A. Logue, state agent of State of Pa., is president of Smoke & Cinder Club.



Allen D. McLean

Kansas Field Men Confer in Wichita

WICHITA—Kansas field men gathered here for meetings of their organizations.

The Kansas Fire Underwriters Association named W. S. Gibbons, St. Paul F. & M., Wichita, president, succeeding Harry O. McIntosh, Hanover, Topeka. W. H. Jones, Automobile, Topeka, was named secretary and E. H. Fikes, Home, Topeka, vice-president.

The Kansas Field Club renamed all officers: Harold Holtz, Millers National, Topeka, president; Paul Cramm, Northwestern National, Oklahoma City, vice-president, and J. Y. Dickerson, Firemen's group, Topeka, secretary-treasurer.

Fire Preventionists Meet

N. K. Nelson, Great American, and V. E. Herbert, Firemen's group, both of Topeka, were renamed president and secretary of the Kansas Fire Prevention Association. Ivan N. Hemphill, Hussey General Agency, Topeka and district chairman of National Fire Waste Council, was elected vice-president succeeding W. H. Jones, Automobile, who retired to serve as secretary of the Kansas Fire Underwriters Association.

An active new year is planned by the fire prevention group. Town inspections are to be resumed. At least four are to be scheduled. A special inspection program is to be conducted among county homes and poor farms. Town chairmen who have sponsored Fire Prevention Week campaigns are to broaden their activities to the entire year. These were all recommendations of the executive committee, the entire report of Chairman C. E. Stiehl being approved.

E. H. Fikes, farm committee chairman, urged that motion pictures covering farm fire safety be secured for effective farm conservation programs.

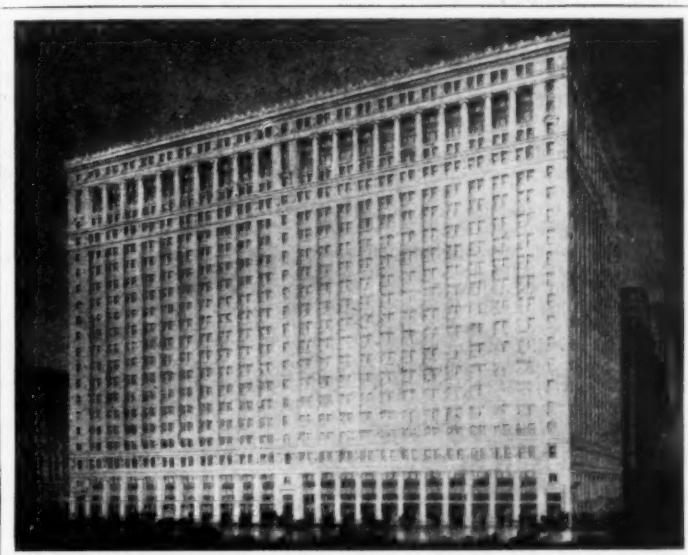
R. D. Bounous, Wichita Chamber of Commerce, spoke at the luncheon. He presented the 1944 report which won the grand award in the National Fire Waste Council contest for Wichita. He was given special commendation as were W. H. Barrett and C. E. Stiehl, association contact men for Newton and Topeka which both won high awards in the contest. Mr. Bounous urged that all towns prepare and submit complete

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Heles for three years. Previously he was with the underwriting and loss departments at the home office. He has been with the organization 20 years.

Worth Heads Bay State Club; Fisher Gives Talk

BOSTON—Irving H. Worth, state agent for Liverpool & London & Globe, was elected president of the Bay State Club of Massachusetts at its annual meeting. A. H. Stafford, North British and Mercantile, was elected vice-president; M. F. Bardorf, Security, secretary, and G. R. Pape, National Liberty, treasurer.

C. I. Fisher, president Rhode Island Association of Insurance Agents, discussed the Rhode Island plan for financing automobile business.

Wuersch and Holly Are Shifted by Travelers

B. C. Wuersch, manager of Travelers Fire in Charlotte, N. C., will go to Jacksonville, Fla., June 15 to become manager for Florida. F. W. Holly, manager at Jacksonville, will replace Mr. Wuersch in Charlotte. Mr. Holly found it necessary to leave Jacksonville due to the illness of a child.

Mr. Holly has been manager at Jacksonville for 13 years. His first field assignment was at Atlanta, where he became assistant manager in 1929. He was appointed manager at Jacksonville in 1931.

Mr. Wuersch entered insurance as an

employee of the Kentucky Actuarial Bureau and after 4½ years was loaned to the Mountain States Inspection Bureau to head a corps of men to re-rate Denver. In 1927, when Travelers entered Colorado, Mr. Wuersch joined that company as Denver manager and after two years was transferred to Pittsburgh. In 1940 he became manager at Charlotte.

Williams Rejoins Fire Association at Albany

Fire Association has appointed Wallace D. Williams special agent in eastern New York state, succeeding John A. Barnes, resigned.

A graduate of University of Pennsylvania, Mr. Williams has spent his entire business career with Fire Association in varied office and field positions and now returns to his old headquarters at Albany, following his discharge from the army.

He served in similar capacity and territory for almost four years prior to entering military service.

Agricultural Names Waters in Pa., Fry in New Jersey

Agricultural has appointed Gordon Waters of Pittsburgh as state agent for western Pennsylvania and Carl F. Fry as special agent for northern New Jersey.

Mr. Waters succeeds E. R. Seaver, who died last October. He had several years home office experience with Royal-Liverpool for which he has been

a field man in Pennsylvania for the last six years. He spent two years in the Wilkes-Barre area and since 1941 has been in the western Pennsylvania field and is thus already well known in that territory. His office is in the Keystone Bank building, Pittsburgh.

Mr. Fry fills the vacancy resulting from the retirement of J. J. Garland, formerly state agent for Agricultural. He will be associated with Field Supervisor A. F. Turton. He was formerly with Crum & Forster, having been in the home office for about 10 years and more recently in the suburban Long Island field. He has had extensive experience in engineering and appraisal work. His office is at 31 Clinton Street, Newark.

Wenger Back at Cleveland Post

V. D. Wenger, who has served for nearly three years as a captain in the army air force, has received his honorable discharge. Mr. Wenger has resumed his duties at the Cleveland office of Commercial Union. In addition to handling fire and allied lines, Mr. Wenger will also have full charge of inland marine business in Cleveland and Cuyahoga county.

Linnell on Speaking Tour

Thomas G. Linnell, most loyal grand gander of the Blue Goose, left Minneapolis this week on a speaking tour that calls for visits to the Illinois pond in Chicago; St. Louis pond, Texas pond at Dallas; southern Texas pond at Houston, Alamo pond at San Antonio, Okla-

homa pond at Oklahoma and Heart of America pond at Kansas City.

Chesapeake Pond Elects Roberts as President

At the annual election and outing of the Chesapeake Blue Goose near Baltimore, Harold Roberts, Jefferson Adjusting, was re-elected for third term as most loyal gander. Floyd Stout, Fire Companies Adjustment Bureau, was named supervisor; George Moore, North America, guardian; Richard Clark, Fire Companies Adjustment Bureau, keeper; Arthur Seffing, Home, custodian, and Daniel Heisey, Employers group, welder.

The afternoon was devoted to golf, followed by a crab meat dinner and an evening of entertainment.

N. Y. Suburban Group Elects

Henry K. Sullivan, America Fore, has been elected president of the New York Suburban Field Club. Other officers are D. Edwin Misner, North American, vice-president; Charles J. Penna, London Assurance, secretary, and George E. Wood, America Fore, treasurer.

Wilbur Wolfe, who was named special agent for the fire and hail departments of Home in Montana, will work out of the service office at Great Falls under State Agent Larry T. Diringer. Mr. Wolfe was a local agent at Emporia, Kan. He has been doing some hail adjusting for Home and part of his work will continue to be hail adjusting with Hail Supervisor Andrew A. Thull of Great Falls.

W. T. Scarboro, Inland Empire special agent of Phoenix of Hartford, addressed the Pullman (Wash.) Kiwanis Club on fire prevention.

The resurgence of state governments was discussed at a meeting of the San Francisco Blue Goose by Perry H. Taft, regional director for the Council of State Governments.

Appleton & Cox Makes Changes

Appleton & Cox announce several recent promotions. At the home office George D. Hoffman and E. W. Murray have been elected joint executive vice-presidents. Mr. Murray is head claims adviser. Owen Barker, who has been in the ocean underwriting department, is now vice-president and director.

P. S. Ayres, inland claims adjuster, and W. R. McBean and F. T. Thieringer of the ocean underwriting department have all been named vice-presidents, as have John F. Campbell and Raymond E. Swett. Miss Lydia C. Selby was elected treasurer. All have been with Appleton & Cox for many years. Harold M. Angell and J. Austen Eckstein are named resident vice-presidents at Chicago and J. Frank Moment resident vice-president in Boston.

Zone 4 Meeting Is Deferred

LANSING, MICH.—Commissioner Forbes of Michigan, chairman of Zone 4 of the National Association of Insurance Commissioners, said the annual spring meeting, scheduled to be held in Chicago, has been deferred until the National association meeting in St. Paul, June 4-6, and will be sandwiched in between the general association sessions.

A new zone chairman and a new executive committee member are to be selected. Commissioner Forbes has been serving as chairman since Commissioner Viehmann of Indiana was replaced. Oscar Erickson of North Dakota, the executive committee man, is under suspension, in view of impeachment proceedings against him.

Fred C. King of Spindale was elected director of District 8 of the North Carolina Association of Insurance Agents at a one-day conference in Raleigh.

YOU CAN GET SOMETHING EXTRA OUT OF LIFE . . . RIGHT NOW!

Wouldn't you like to make a real success of LIFE, in the shortest possible time? Then you'll want to see this series of highly successful proved plans which quickly show you — as they have so many others — how to get the most out of LIFE from your regular clients, and without giving up or curtailing any of your present lines!

You can start right away making LIFE bring you rich rewards . . . pay you big dividends. Columbus Mutual's remarkably effective Packaged Plans prepare you — in a few minutes time — to sell LIFE quickly and easily to your present clients. No complicated selling formulas to learn . . . no bulky rate books to carry! Act without delay . . . don't let the best things in LIFE pass you by. Send for details on these simple, easy-to-grasp Packaged Plans. Write today!

There's a Packaged Plan to fit every person, purpose, pocketbook or preference. MAIL THE COUPON, or write, for a sample sales portfolio!

Please send me a sample portfolio of your Packaged Plans, with information on Columbus Mutual's liberal agents' contract and other helpful material.

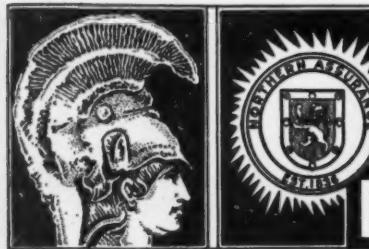
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STATE _____

D. E. BALL, President
The COLUMBUS MUTUAL LIFE INS. CO.
COLUMBUS



FAMOUS SYMBOLS OF SERVICE

Minerva was a Goddess of Roman mythology. She became the presiding light of the Athens Parthenon. For she symbolized Wisdom and Farsightedness. The Northern Assurance seal too is a symbol of wisdom—the wisdom of SOUND INSURANCE PROTECTION.

THE NORTHERN ASSURANCE CO. LTD.

FIRE AND ALLIED LINES, AUTOMOBILE, INLAND MARINE, REPORTING FORM, FLOATER CONTRACTS
NEW YORK • CHICAGO • SAN FRANCISCO

May 17

PLANS

Plans meeting the National Women Chicago are the Executive Kathleen L. Association chairman committee well, N. association F. & C. dent; D. second Minne Portland the ex-Chatt Doris Mayer, a peka, a

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CHICAGO

PLANS FOR WOMEN'S MEETING

Plans are now being completed for the meeting of the officers and directors of the National Association of Insurance Women to be held at the Stevens Hotel, Chicago, starting June 17. The hosts are the members of the Chicago Distaff Executives Association, of which Mrs. Kathleen Belcher is president. Mrs. Lillian L. Herring, secretary of the Illinois Association of Insurance Agents, is chairman of the general arrangements committee. Mrs. Ada V. Doyle of Caldwell, N. J., is president of the women's association; Clara A. MacCubbin, U. S. F. & G., Baltimore, is first vice-president; Doris Mundy, Sioux Falls, S. D., second vice-president; Marcella Heise, Minneapolis, treasurer; Eva Brower, Portland, Ore., recording secretary. On the executive board are Edna Bowman, Chattanooga; Marjorie Hull, Syracuse; Doris Jackson, Los Angeles; Elsie B. Mayer, Denver; Marjorie Wilson, Topeka, and Betty Augustus, Indianapolis.

The visiting women will be given an automobile ride along the north shore the day of their arrival, June 17. On their return they will stop at the Edgewater Beach Hotel for tea. On Monday there will be a luncheon at the Union League Club and Tuesday evening a dinner at the Stevens Hotel. It is expected that all the officers and board members will be present, as well as some prominent women in local organizations.

HANNON GOES WITH SHAW

Emmet J. Hannon, former claim department manager of Universal in Chicago, has become associated with L. J. Shaw, well known independent adjuster there. Mr. Hannon has been in claim work for 19 years starting with the Cook County Loss Adjustment Bureau in 1926 and after nine years becoming loss department superintendent of Standard of New York in Chicago and later claim manager of Universal in 1941.

Mr. Shaw has operated his own office since 1932, handling fire and automobile adjustments. Previously he had experience with Springfield Fire & Marine, Atlas and Great Lakes as an executive of the loss departments.

PETTIGREW ON DECK

T. A. Pettigrew of Chicago, manager of Underwriters Adjusting, who has been in Florida for the winter, is now back at his desk and will be there for the summer.

CHICAGO ADJUSTERS' OUTING

The Adjusters Association of Chicago will hold its annual golf outing June 21 at Elmhurst Country Club. The affair will consist of golf and other games in the afternoon and dinner in the evening, with luncheon available at the club. There will be a number of door prizes.

A. B. Kilburg, Cook County Loss Ad-

LOCAL AGENCY

A man with a good insurance background wants to return to a local agency in Missouri, Southern Indiana or Illinois. This man prefers a city of at least 10,000. This will be a cash proposition.

FERGASON PERSONNEL

Insurance Personnel Exclusively
166 W. Jackson Blvd., Chicago 4, Ill.

justment Bureau, is chairman of the golf committee, and others members are N. J. Tierney, Wagner & Glidden; John Sybrandt, Western Adjustment; Frank Haick, Underwriters Adjusting, and Frank Krause, Frank Erion & Co.

York City, agent for the metropolitan and suburban territories.

TO ADDRESS ACCOUNTANTS

Milton B. Ignatius of Ignatius & Stone will speak on uniform accounting at the meeting of the Insurance Accountants Association at New York Thursday of this week.

A subject for discussion at the meeting is the treatment of unearned premium reserves in preparing agent's contingent commission statements for a portion of the contingent period for the purpose of the agent insuring his profit

at that time. There are several ways in which these reserves are now shown and the association has asked its members to present their views at the meeting so that there may be a full discussion of this question.

ADAMS GLENS FALLS N. Y. MANAGER

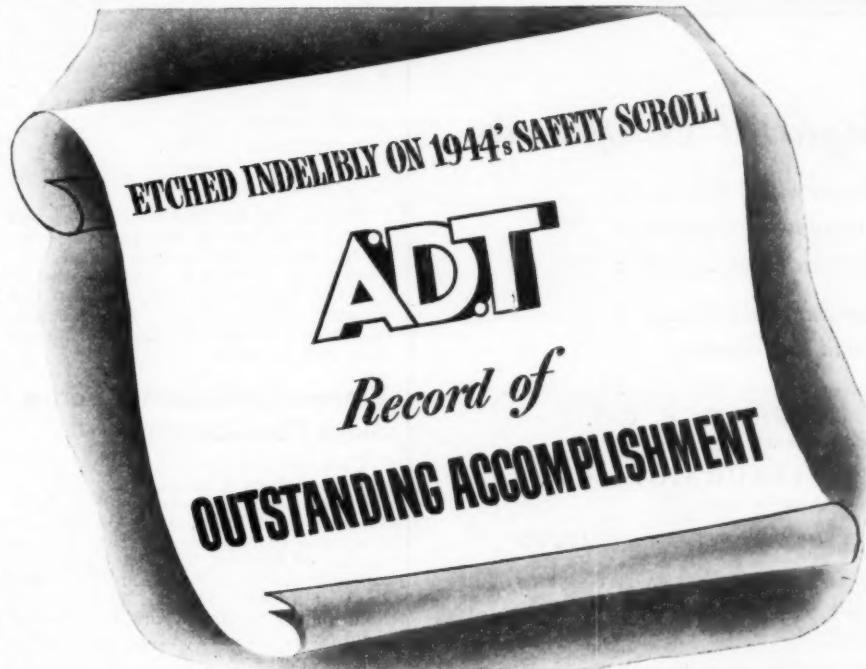
Samuel T. Brown, resident vice-president of the Glens Falls companies in New York City, has just retired from active duty under the companies' pension plan. Wilber J. Adams succeeds him as general manager.

Mr. Brown entered the business in

NEW YORK

PEERLESS N. Z. AGENCY

Corroon & Reynolds, general agent of New Zealand, has appointed the Peerless Agency at 507 Fifth avenue, New



BURGLAR AND HOLDUP ALARM SERVICES

Burglars captured as a result of A.D.T. Alarms . . . 328
Percentage of losses in attacks on A.D.T. protection to insurable values protected 6/1,000ths of 1%

During the past ten years, subscribers to A.D.T. Burglar Alarm Services have enjoyed 99 99/100ths% IMMUNITY FROM BURGLARY LOSSES.

WATCHMAN SUPERVISORY AND MANUAL FIRE ALARM SERVICE

Investigations of failures of watchman to signal on schedule 216,738

Total number of signals supervised was 323,938,615; hence, the patrol efficiency was 99 93/100ths%
Manual Fire Alarms received 1,772
Percentage of fire losses to insurable values . . . 3/100ths of 1%

During the past ten years, subscribers to A.D.T. Watchman Supervisory and Manual Fire Alarm Service have enjoyed 99 97/100ths% IMMUNITY FROM FIRE AND WATER LOSSES.

SPRINKLER SUPERVISORY AND WATERFLOW ALARM SERVICE

Supervisory alarms, indicating impairment of sprinkler systems 131,423

Waterflow alarms, indicating fires or serious leaks . . . 2,598
Percentage of fire and water losses to insurable values 4/100ths of 1%

During the past ten years, subscribers to A.D.T. Sprinkler Supervisory and Waterflow Alarm Service have enjoyed better than 99 98/100ths% IMMUNITY FROM FIRE AND WATER LOSSES.

A. D. T. ELECTRIC PROTECTION SERVICES

Controlled Companies of AMERICAN DISTRICT TELEGRAPH CO. 155 Sixth Avenue, New York, N.Y.
CENTRAL STATIONS IN ALL PRINCIPAL CITIES OF THE UNITED STATES

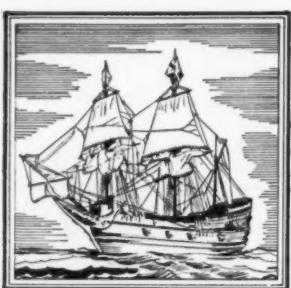


Electric Protection Services
AGAINST FIRE • BURGLARY • HOLDUP
A NATION-WIDE ORGANIZATION

UNDER wartime conditions, factors such as heavy increases in concentrations of values, rapid expansion of industrial operations, use of unskilled labor, inferior construction and a host of other hazards offer a serious challenge to protective systems.

During 1944, A.D.T. met the situation by maintaining the same high standards of efficiency and effectiveness, in minimizing fire and burglary losses, that have characterized A.D.T. Services year after year.

The accompanying statistical analysis provides comforting assurances to A.D.T. subscribers and merits the thoughtful consideration of business executives, insurance underwriters and others concerned with property protection.



Two New England Companies

The Mayflower was chosen as the symbol of these two companies as typical of their characteristics:

*Old New England—Sound,
Safe and Fair-dealing*

BOSTON INSURANCE CO.
INCORPORATED 1873

OLD COLONY INSURANCE CO.
INCORPORATED 1906

FIRE · MARINE · AUTOMOBILE · AVIATION
87 KILBY STREET, BOSTON 9, MASSACHUSETTS

JOSEPH FROGGATT & CO., Inc.

*Specialists in all Branches of Insurance Accounting
Consulting Actuaries and Auditors*

Timely, Helpful Advice to Solve Personnel Shortage Problems

Wartime pressure of daily business demands that records be kept as accurately up-to-date as possible. But personnel shortages make it necessary to streamline office procedure and systems.

Our organization is at your service when accounting and claim investigating problems need solution. Result: Saving of time, money, dispositions.

HOME OFFICE: 74 TRINITY PLACE, NEW YORK CITY

BOSTON
87 Kilby Street

CHICAGO
Insurance Exchange Bldg.

DALLAS
1307 Pacific Avenue

LOS ANGELES
Fidelity Bldg.

NEWARK
American Insurance Bldg.

PHILADELPHIA
Public Ledger Bldg.

SAN FRANCISCO
Insurance Exchange Bldg.

ST. LOUIS
Pierce Bldg.

1896, associated with his father in the agency of T. Y. Brown & Co., which has represented Glens Falls since 1877. He was admitted to partnership in that firm in 1902. He was elected a director of all companies of the group in 1922 and six years later became a vice-president. He will continue as a director.

Mr. Adams, after managerial work with Travelers for many years, joined Glens Falls Indemnity in 1927 as manager in charge of organizing its New York city office. Ten years later he was named fire manager as well.

KRUGER BROKERAGE MANAGER

Fidelity-Phenix of the America Fore group has appointed Robert A. Kruger manager of the brokerage department in New York City. Mr. Kruger has been with the company's local and brokerage department at 80 Maiden Lane, and before joining America Fore was for a number of years in the New York City office of North America.

E. A. MERKL ELECTED

E. A. Merkl, North British, was elected chairman of the ex-New York Fieldmen's Society at the annual banquet there. William B. Lutz, Phenix of London, was elected vice-chairman and Charles A. Collin, Marsh & McLennan, secretary-treasurer. A number of former field men attended the affair.

Warner Organization Forms Stock Fire Company

Underwriters Insurance Co., Merchandise Mart, Chicago, has been incorporated by interests identified with Lansing B. Warner, Inc., the canners reciprocal organization. It has paid in capital of \$250,000 and net surplus of \$275,000, and it will write fire and allied lines of a select nature. The officers hold similar positions with the Warner reciprocals, president being John Elliot Warner; vice-presidents Newton H. Tobey and Milton R. Feeney; secretary G. H. Gunbaker; assistant secretary D. L. Carton. The directors are Mr. Warner, Mr. Tobey and Seymour Wheeler.

S. R. Wells, in charge of underwriting, has been in the business 30 years. Ernest Palmer is general counsel.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago,
May 14, 1945.

	Par	Div.	Bid	Asked
Aetna Cas.	10	2.50	74	76
Aetna Fire	10	1.80*	53	55
Aetna Life	10	1.50*	46 1/2	48
Amer. Alliance	10	1.20*	22 1/2	24
Amer. Cas.	10	.60	12	13
Amer. Equitable	5	1.00	18 1/2	19 1/2
Amer. Home	10	..	11	12
Amer. (N. J.)	2.50	.60*	17 1/2	18 1/2
Amer. Surety	25	2.50	63 1/2	65 1/2
Balt. Amer.	2.50	.30*	7 1/4	7 1/4
Boston	100	21.00*	640	660
Camden Fire	5	1.00	20 1/2	22
Contl. Cas.	10	1.80*	46	47
Contl. Assn.	10	1.20	44	46
Contl. N. Y.	2.50	2.00*	55	56
Fidelity-Phen.	2.50	2.20*	57 1/2	58 1/2
Fire Assn.	10	2.50*	72	74
Fireman's (N. J.)	5	.40	13	14
Fireman's Fund	10	3.00	95	97
Franklin Fire	5	1.00	22 1/2	24
Glens Falls	5	1.85*	47	49
Globe & Repub.	5	.50	9 1/2	10 1/2
Gt. Amer. Fire	5	1.20*	31	32
Hanover Fire	10	1.20	27 1/2	29
Hartford Fire	10	2.50*	107	109
Home (N. Y.)	5	1.20	27 1/2	28 1/2
Ins. Co. of N. A.	10	3.00*	95	101
Maryland Cas.	1	..	10 1/2	11 1/2
Mass. Bonding	12.50	3.50	76	78
Natl. Cas.	10	1.25*	31	33
Natl. Fire	10	2.00	59	61
Natl. Liberty	2	.30*	7	7 1/2
Natl. Un. Fire	20	5.00*	175	180
New Amst. Cas.	2	1.00	28	29
New Hamp.	10	1.80*	45	47 1/2
North River	2.50	1.00	22 1/2	23 1/2
Ohio Cas.	5	.70	29	31
Phoenix, Conn.	10	3.00*	86	88
Preferred Acct.	5	1.00*	12 1/2	13 1/2
Prov. Wash.	10	1.40*	34	36
St. Paul F. & M.	12.50	2.00*	76	78
Security, Conn.	10	1.40	34	36
Sprgfd. F. & M.	25	4.75*	119	122
Standard Acct.	10	1.45	35 1/2	37
Travelers	100	16.00	565	575
U. S. F. & G.	10	1.50*	39	40 1/2
U. S. Fire	4	2.00	51	53

*Includes extras.

THE PHOENIX-CONNECTICUT GROUP of Fire Insurance Companies



The Phoenix
Insurance Company, Hartford, Conn.
1854

The Connecticut
Fire Insurance Company, Hartford, Conn.
1850

FOITABLE
Fire & Marine Insurance Company
PROVIDENCE, R.I.
1859

ATLANTIC FIRE INSURANCE CO.
Raleigh, North Carolina

THE CENTRAL STATES FIRE INS. CO.
Wichita, Kansas

GREAT EASTERN FIRE INSURANCE CO.
White Plains, N. Y.

MINNEAPOLIS F. & M. INSURANCE CO.
Minneapolis, Minn.

RELIANCE INS. CO. OF CANADA
Montreal, Canada



HARTFORD
30 Trinity Street

CHICAGO
Insurance Exchange

NEW YORK
110 William Street

SAN FRANCISCO
220 Montgomery Street

MONTREAL
485 McGill Street



**All Forms of Fire and
Property Insurance including**

Ocean and Inland Marine

Country-wide Brokerage Service

TIME TRIED & FIRE TESTED

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Wis. Premium Tax Contested in Suit by Bankers Life, Ia.

Unconstitutionality of the Wisconsin premium tax law because of violation of the commerce clause and 14th amendment to the constitution is claimed by Bankers Life of Iowa in suit filed in Dane county circuit court at Madison against the state to recover \$35,415 tax on 1944 premiums collected in the state, which was paid this year under protest.

The petition charges it is discriminated against in favor of Wisconsin domestic life insurance companies and out-of-state as well as domestic fraternal benefit societies. Bankers Life charges eight Wisconsin life companies in 1944 collected a total of \$17,867,283 premium income of which it calculates \$15,891,338 should have been taxed \$317,826 at the rate of 2%, but instead Northwestern Mutual Life paid only \$124,411 and Great Northern Life \$361, while the other six paid no tax.

Objects to Favoritism

Bankers Life also claims the domestic fraternals of Wisconsin collected \$4,491,949 premiums in 1944, of which \$2,991,430 should have been taxed \$59,829, but in fact no tax was paid or even provided for in the law. In addition it was said many other fraternals operate in Wisconsin which do not pay premium tax or license fees comparable to those charged Bankers Life.

The petition criticizes the situation under which it is alleged over \$2,000,000 in annual license fees will be collected from non-resident insurance companies by the state this year while the insurance department costs less than \$95,000 a year to operate. Exception also is taken to charging Bankers Life \$2 per agent annual license fee while domestic life companies pay only \$1 and fraternals are not required to pay a license fee for their agents. The company also claims the tax law violates section 1, article 8 of the state constitution.

May 28 is the final date for reply, Harold H. Persons, assistant attorney general, notified all fraternals and domestic life companies operating in the state in a letter asking for material, memoranda and briefs which may be used in the defense.

The company is represented by Quarles, Spence & Quarles of Milwaukee.

Halifax V-E Losses Pose Problem

TORONTO—The liability of insurers for the \$5 million damage in the V-E riots in Halifax is being investigated by the Nova Scotia Board of Insurance Underwriters which has referred the matter to company head offices.

It has been suggested that the insurers might declare themselves not liable for damages incurred on the ground that the maelstrom of looting and rioting was an "act of war." Should the courts uphold this view, then belief is general that the onus might fall upon the government's war risk insurance. Whether or not war risk insurance is carried free protection is provided up to certain levels.

It also has been suggested that insurers should pay as a matter of good-will. However, those who have brought up this point have been told that insurance, after all, is a business and cannot exist on sympathy. If insurance is found liable for damages, they will be paid. If not, then the matter will be dropped as far as the companies are concerned.

It is doubtful whether war risk cover regulations will permit the government to reimburse losses as the damage did not result from an act of war.

It is held here that technically the

companies are not liable for losses caused by riot, civil commotion, malicious damage, etc., unless these hazards are specifically covered by a special endorsement. However, plate glass losses will probably be met in full, even though the total is known to be heavy. With regard to fire losses of approximately \$100,000, it is believed that the companies are not liable unless the fire contracts contain special provisions for riot and civil commotion. There is a slight chance, however, that the companies may forego their legal rights with regard to the fire losses since the losses were low in proportion to the grand total of all losses.

Unless existing policies contain the supplemental contracts, the companies definitely are not liable for damages resulting from looting and malicious damage. It is further pointed out that the companies had offered special insurance protection for V-E day alone and this has been practically rejected in toto.

Commissioners Confer with Attorney General

(CONTINUED FROM PAGE 6)

15 constituted an invitation to states and companies to make adjustments in the light of the Southeastern Underwriters Association decision.

However, O'Mahoney says he has not talked to anybody about the insurance subcommittee, of which he is a member.

Senator McCarran, Nevada, judiciary committee and insurance subcommittee chairman, is absent in the west and not expected to return before June.

Biddle Statement Expected

Within a week the Department of Justice is expected to release an exchange of correspondence between Attorney General Biddle and a state insurance commissioner or an officer of the National Association of Insurance Commissioners, as such. It is learned that Biddle will await consent of the other party to publish the letters.

It is stated at the department that the correspondence to be released will deal with the whole insurance situation. This would include such problems as state legislation and regulation, the attitude of the department toward alleged acts of boycott, intimidation and coercion, and the final disposition of the S.E.U.A. case.

Meanwhile, Attorney General Biddle on Monday authorized THE NATIONAL UNDERWRITER to state that he had not told anybody he intended to drop criminal proceedings against the S.E.U.A., or that the government will not institute civil proceedings against it, published reports to the contrary notwithstanding.

It has been recommended, however, in the department that the S.E.U.A. matter be ended, and it is expected it soon will be.

Three Are Globe & Rutgers Assistant Secretaries

Globe & Rutgers and American Home Fire have named Wesley F. Elkers, Anton J. Schelke and Valdo Volta assistant secretaries. Mr. Elkers has been in the statistical department of Globe & Rutgers since 1913. Mr. Schelke's career with the company began in 1920 and Mr. Volta's in 1929.

Insurance Society Nominates

The Insurance Society of New York will hold its annual meeting May 29. The following nominations have been made: President, Arthur F. Lafrentz, president American Surety; vice-president, David C. Beebe, chairman of U. S. Aviation Underwriters; vice-president, Paul J. Kennedy, U. S. manager of Halifax; treasurer, A. J. Smith, president Zweig, Smith & Co.; secretary, Edward R. Harty, secretary-treasurer of the Insurance Institute of America; directors for three years, F. O. Affeld, Jr.

Affeld, Sowers & Herrick; Henry Collins, U. S. manager Ocean Accident; Clement L. Despard, president Despard & Co.; J. J. McGrath of Chubb & Son, and Earle W. Murray, vice-president Appleton & Cox. Richard V. Goodwin, vice-president Fireman's Fund Indemnity, was nominated director for one year.

Oklahoma Meeting at Tulsa

Arrangements have been made by the officers and executive committee of the Oklahoma Association of Insurance Agents for a meeting of the officials at Tulsa, May 29, in substitution for the annual meeting. It is thought, however, that some of the leading members will attend.

Chicago Premium Tabulation

According to a tabulation developed by the Chicago "Journal of Commerce" premiums written in Chicago and Cook county last year on fire, extended coverage, wind and sprinkler leakage totaled \$1,891,988 for the Home group which continues in first place. Its increase over the previous year was 2.6%. The "Journal of Commerce" does not have the figures of all companies but the premiums in these lines of companies writing 80% of the business totaled \$20,-

809,887 as compared with \$19,658,001 or an increase of 5.8%.

In second place was America Fore with \$1,260,385; Loyalty \$1,114,155; Aetna Fire \$1,074,199; Hartford \$957,930; North British \$882,898; North America \$875,648; National \$815,801; Phoenix of Hartford \$789,913; Springfield F. & M. \$655,934; Fireman's Fund \$648,452; Northwestern National \$622,-627; Crum & Forster \$617,749.

Hold Institute Examinations

Starting last Monday and continuing for 10 days, examinations are being held by the Insurance Institute of America for its class and correspondence students throughout this country, Canada and Cuba. A number of students in service also are taking their examinations in more distant places.

Examinations are being conducted in all branches of insurance—casualty, fire, inland marine, life, ocean marine and surety in Atlanta, Chicago, Cleveland, Columbus, Havana, New York, Philadelphia and San Francisco.

Joseph S. Mountford, special agent of Firemen's Fund, Chicago, spoke on the personal property floater at a dinner meeting of the Gary Board Tuesday.



The Agent who fails to impress the need for Comprehensive Automobile protection on all his assureds today is just as "guilty of neglect" as the automobile owner who fails to conserve his car in every way possible. Our new folder, "Guilty of Neglect" has been created to assist you in making the right impression. Would you like to see a sample?



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Camden Fire
Insurance Association
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Independents' Rate Problem Steals Show
(CONTINUED FROM PAGE 3)

riden, or gone around, and has to be looked at realistically, is the question of regulation of the independents. In California, he said, they are going to argue for non-regulation and that their view will be pushed persistently, forcefully and with considerable influence. He agreed with the view previously expressed that having one standard for bureau companies and another for non-bureau carriers would force the former out of the bureaus and that he was opposed to having two standards.

LESLIE SPEAKS

William Leslie, manager National Bureau of Casualty & Surety Underwriters, spoke forcefully for having rate regulation apply to independents as well as rating-bureau companies. This feature is included in the model bill prepared by the Association of Casualty & Surety Executives and the Mutual Casualty Insurance Rating Bureau. Mr. Leslie said a bill could be drafted to permit the independents to report only on the basis of business they write and not be forced into the same pattern as bureau companies in reporting but said that exempting the independents from rate regulation really would mean that there would be no organizations of companies. It would be suicidal, he said, for members of the National Bureau to think that they could remain subject to more stringent regulation of rates than their independent competitors. Hence, if there is to be a dual standard, which on the surface would look to be the same standard but which required of rating organization members the submission of more detailed data and more definite proof, and subject them to a greater degree of watchfulness on the part of the commissioners, "I say the companies couldn't afford to belong to a rating organization."

Mr. Leslie said the casualty companies' bill was drawn the way it was because it was felt that it was the only way to keep state regulation. The states must start with the assumption that the only consideration the state has is the public interest. If it is unsound for a company to charge inadequate rates if it is a member of a rating organization then it is unsound for it to do so if it is not a member. He expressed doubt that a constitutional law could be enacted that would permit such a difference in treatment, for if the public interest warrants rate regulation then it cannot exempt the independents. If all the companies were to cut loose and go their own way nothing would bring federal regulation more quickly, he warned.

Quizzed by Dineen

Asked by Superintendent Dineen of New York whether he thought it was possible for the industry to get together on a single bill, rather than each branch fighting for its own measure, Mr. Leslie said that as to the draftsmanship of the casualty companies' model, such matters as the reporting of statistics could be ironed out satisfactorily to all concerned but as to leaving the independents out of the rate regulatory scheme or setting a less stringent standard for them "as a rating organization we couldn't live under it" and as to that particular feature "there is serious danger of its not being reconciled" although he felt that with time all other points could be worked out. Mr. Leslie emphasized that the casualty companies in drafting the model bill, had approached the problem from the public interest angle rather than trying to hold an umbrella over the bureau companies.

F. J. Marryott of Liberty Mutual said he agreed completely with Mr. Leslie and emphasized that the people who worked on the bill represented various interests and that two mem-

bers are among the leaders of the independents. The effort was made to get a basis that would not ignore either the bureau or non-bureau viewpoint and the committee finally came to the view that it was dangerous to go on the basis of getting an umbrella for anti-trust prosecution but to do what they could to get a framework flexible enough to include all that would come under it. He said that the committee thought the independents' interests are fully protected in the model bill, though they may not think so. The bill is a compromise measure he pointed out and he doubted that further consideration would result in material improvement, even though many individuals would frame it differently if they had only their own interests in mind. He said it was not a matter of draftsmanship but of fundamental approach to the whole problem and advocated the passage of the bill as a first step even though it might have to be later amended in many ways.

McFall for Prompt Action

Vice-president J. M. McFall of U.S.F. & G. advocated early action and pointed to the record in Maryland in getting at least part of the necessary legislation through so that there would not be so much to handle when the moratorium deadline becomes close. However, Gay Gleason, general counsel of the Employers Liability group, said he believed it unwise to rush in and pass a bill when nobody knows how the Federal Trade Commission law applies. Also he said there are many state laws which should be investigated, such as chapter 93 of the Massachusetts laws which refers to "commerce" and also to "articles in common use." Mr. Gleason also raised the question why it was necessary to have rate approval in order to have rate regulation. He disagreed with the view expressed by Attorney-General Biddle that rates had to be approved and said that he thought they need only be adequate, reasonable and non-discriminatory.

Mr. Moser said that it would be impossible to get 100% unanimity in the industry but considerable progress can be made before the legislative sessions when the bills must be introduced. He pointed out that the independents had succeeded in convincing the drafters of the model bill that it needed changing in eight respects, not only from the point of view of the independents but also of the bureau companies. He agreed with Mr. Leslie that leaving the independents unregulated would force companies out of rating bureaus but said that "if you set up the same standards for independents as for bureau companies it can't work either."

Mr. Moser said that the independents want to be judged by the same standards—adequate, reasonable, and non-discriminatory—as the bureau companies but said that if the states are going to expect the same completeness of data as for bureau companies it cannot be done. He said that all factors in reporting need not be the same for all but he thought that the problem could be worked out.

INDUSTRY COMMITTEE

Aside from the thorny question of regulating the independents, the first day's session was devoted to working out the best possible way of obtaining legislation respecting the Clayton, Federal Trade, and Robinson-Patman acts that would be acceptable to all branches of the industry. The first point was whether it was practicable to try to get this done before the June meeting of the commissioners.

J. Raymond Berry, general counsel National Board, suggested that those branches of the business represented there undertake to get into concrete

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form their general pattern of solving the problem so that a general plan could be submitted at the June meeting. However, A. V. Gruhn, general manager American Mutual Alliance, expressed doubt that anything worth while could be done before the June meeting and suggested that each group work out its solution and that there be appointed a general committee on which each group would be represented, to work out if possible an industry solution. The commissioners committee adopted this plan just before concluding its public sessions.

Mr. Gruhn's suggestion called for a member of the commissioners' committee to sit in with this general committee, also the committees of each branch of the industry would keep the federal legislation committee of the N.A.I.C. informed of major developments. He said the job should be worked on through the summer and presented to the committee in October.

Speaks for Buyers

W. W. Clement, executive secretary of Risk Research Institute, which is composed of more than 500 large insurance buyers, said that in addition to the other objectives there should be a search for what is best for the insurance buying public, that there should be equitable rate making methods, comprehensive coverages, multiple line underwriting, and the least possible amount of regulation that will assure company solvency and the payment of claims.

Chairman Harrington of the N.A.I.C. federal legislative committee said the purpose of the all-industry committee would be to study solely the effect of the Clayton, Federal Trade, and Robinson-Patman acts on state regulation and on the business in the light of the S.E.U.A. decision and public law 15, the federal insurance act. This limitation was due to the fact that the effect of these statutes had been glossed over in the urgency of taking care of the Sherman act and the rating problem. Mr. Harrington stressed the desirability of getting unanimity in the industry and avoiding a divergence of views in seeking necessary legislation.

This limitation on the committee's scope brought a protest from Mr. Mead on behalf of the independents. He felt that the rating should not be excluded

and said if there is any doubt about the states' power to legislate exemption from the Clayton act the same doubt applied to exemption from the Sherman act. If the rating question was to be omitted he was withdrawing his offer to cooperate with the all-industry committee. However, after Johnson of Minnesota, N.A.I.C. president, denied any wish to shut off discussion of the rating question and said "what you do in committee is none of our business," Mr. Mead agreed to cooperate, saying he had withdrawn his support to emphasize the important omission that was being made in the committee's scope of activity.

The plan is for each branch of the insurance business to have two representatives on the all-industry committee. Representatives of all branches except accident and health were present and signified their willingness to cooperate. The A. & H. people will be invited to participate.

John R. Barry, vice-president of Corroon & Reynolds, engaged in a lively colloquy with Commissioners Harrington and McCormack. He warned of the need of uniformity in regulation among the states and said that if the states were going to be pulling 48 different ways the insurance business would have to go to Washington to seek federal regulation as the only alternative.

Referring specifically to rates, Mr. Barry described the sort of thing that would send the companies to Washington. He said that if the companies for example, lost \$20 million in Massachusetts during the year and Massachusetts said this was a catastrophe loss and should not be charged to Massachusetts policyholders through rate adjustments, while Texas, for example, took the attitude that "you can't put that on the people of Texas because it happened in Massachusetts," the companies would have no choice but to seek federal regulation.

Mr. Barry recalled that the commissioners at their 1921 convention adopted a formula which set 5% as a reasonable profit and 3% as a reasonable conflagration charge and that since this is the most recent statement by the N.A.I.C. it should review the matter and decide whether it wants to stand on that declaration or revise it in the light of present conditions. In all events, he urged, there

should be a statement from the commissioners as to what they think is a reasonable underwriting profit. He also stated that investment profits or losses should have no part in the rates. He said he wanted to find out where the companies stand on that point, as he represented 800 or 900 employees and some 25,000 stockholders.

"I know as a practical man that if we can't make a profit under state regulation we will go to Washington and ask for federal regulation," he declared.

"Why don't you go after it?" asked Commissioner McCormack, obviously somewhat irked.

"That might be done," Mr. Barry replied.

Asked by Mr. Harrington what a rating law should contain, Mr. Barry said he would like to see the New York rating law enacted generally.

PLEDGE COOPERATION

Among those who pledged the cooperation of their respective organization were the following: J. Raymond Berry, general counsel National Board; J. Dewey Dorsett, general manager Association of Casualty & Surety Execu-

tives; A. V. Gruhn, general manager American Mutual Alliance; W. Ray Thomas, president National Association of Insurance Agents; B. W. Blakey of Benedict & Benedict, New York City, chairman legislative committee National Association of Insurance Brokers; S. H. Richardson, New York City, American Association of Insurance General Agents; J. J. Magrath of Chubb & Son, Inland Marine Underwriters Association, on whose behalf Mr. Berry submitted a memorandum; R. H. Lord, vice-president Manufacturers Mutual Fire, representing Associated Factory Mutuals; B. E. Shepherd, actuary Life Insurance Association of America; R. L. Hogg, general manager American Life Convention; Foster F. Farrell, secretary-treasurer and manager National Fraternal Congress; H. Phelps Smith, secretary-treasurer National Association of Surety Bond Producers.

Members of the N.A.I.C. federal legislation committee who were present were Harrington, Massachusetts, chairman; Dineen of New York, Johnson of Minnesota, McCormack of Tennessee, and Scheuler of Missouri. Larson of Florida was unable to be on hand because of the death of his mother. Besides Garrison of California, Carroll of Rhode Island sat with the committee as

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a representative of the executive committee.

It was announced that the N.A.I.C. executive committee will meet in St. Paul June 2-3, the Saturday and Sunday before the commissioners' convention. President Johnson urged that only those men needed to help with the job ahead be sent to St. Paul, as anything else would be a violation of the N.A.I.C.'s representations to the ODT in getting permission to hold the meeting.

Many insurance men were on hand as participants in the discussions or merely as observers. In addition to those already mentioned those present included E. W. Sawyer, attorney National Bureau; B. M. Anderson, general counsel Connecticut General Life; Joseph Collins, chief of the New York department rating bureau; A. G. Thacher and A. C. Charles of Barry Wainwright, Thacher & Symmers, counsel of the Inland Marine Underwriters Association; Dave E. Satterfield, general counsel Life Insurance Association of America; J. Donald Whelehan, assistant to the general counsel of Home; Martin W. Lewis, head of the Tower Rating Bureau; E. M. Allen, executive vice-president National Surety, H. L. Wayne and J. G. Bill of the Inland Marine Underwriters; Chase M. Smith, general counsel of the

Kemper companies; Ralph H. Blanchard, professor of insurance Columbia University; J. F. Byrne of Universal; L. E. Hart, Knights of Columbus, St. Louis; R. R. Elliott, representing Boston Manufacturers Mutual Fire, Arkwright Mutual, Cotton & Woolen Manufacturers and Mutual Boiler; J. S. Galloway, Fidelity & Deposit; P. T. Morehouse, Tower Rating Bureau; Marcus Abramson, Association of Casualty & Surety Executives; P. L. Baldwin, executive secretary and G. E. Phelan, president of the National Association of Mutual Insurance Agents; Hugh Harbison, secretary compensation and liability department of Travelers; W. C. Jansen, vice-president of Hartford Accident; H. G. Wood of Equitable Society; John A. Diemand, president of the North America companies; W. W. Ellis, executive vice-president Insurance Brokers Association of New York and secretary National Association of Insurance Brokers; G. E. Traver, National Board; Walter Martineau, deputy superintendent of New York; W. Ray Thomas, president National Association of Insurance Agents, and Averell Broughton, the association's public relations counsel; H. E. Moore, Boston, president National Association of Insurance Brokers; Vice-presidents Melvin Karpf and A. H. Vetterman of Service Fire, and Orville F. Grahame, associate

counsel Massachusetts Protective companies.

President E. L. Williams of the Insurance Executives Association made an eloquent plea for unity and cooperation. He intimated that members of his organization are working out a revised system of classification and rating.

COMMITTEE STATEMENT

Following the open meeting of the federal legislation committee of the National Association of Insurance Commissioners, the committee issued a statement in which it referred to the intra-industry cooperative effort at solving the problems arising out of the Clayton, federal trade commission, and Robinson-Patman acts, and expressed the hope that "a substantial portion of this work can be accomplished by Oct. 15, 1945, and that an interim report should be submitted to the special June conference" of the N.A.I.C. at St. Paul.

The committee expects other interim reports to be submitted as the work progresses and in the meantime will continue to make its own independent study of the problem, according to the statement, and not later than Oct. 15 it will determine what further procedural steps, if any, it should take.

Application of Clayton Act

The committee's statement summarized the meeting and its accomplishments as follows:

"It was recognized that some phases of the problem, such as the effect of the application of the Clayton act to the insurance business after Jan. 1, 1948, required further legal research.

"On the subject of rate regulation the committee felt that there were well-defined patterns available based upon the actual experience of a number of states which could be used as a foundation for the drafting of rate regulatory statutes at this time. This fact was recognized by certain segments of the insurance industry which prepared so-called model or agreed rating bills based largely upon existing statutes and which were used as guides for the enactment of rate regulatory laws recently in several states.

"The experience in certain other states in the last few months in connection with the introduction of rate regulatory legislation has disclosed certain fundamental differences of opinion within some sections of the industry as to the scope of such statutes, a fact which was emphasized by some of the statements made at the hearings. It was suggested that if these sections of the insurance business were given some additional time, they might be able to compose their differences or at least narrow the area of disagreement and thereby facilitate the passage of the necessary legislation.

Eschew Delay

"It would be unfortunate if the inability of the industry to agree upon the application of well-established principles should be used as an excuse for delay in the enactment of necessary and desirable legislation. On the other hand, it was asserted by several well-qualified speakers that the extension of time would accomplish little or nothing because (1) the pattern for rate regulatory statutes is well established at this time and no additional time is required in that direction, and (2) the nature of the differences is such that the parties would never voluntarily compose all their differences among themselves. It should be added that these differences are largely competitive in nature, it is evident that as to that area of disagreement the states themselves must make the basic decision of policy in a manner calculated to preserve competition, maintain the financial soundness of the companies and generally protect the public interest.

"At the present time there are a number of committees representing practically every segment of the business engaged in studying various aspects of the problems flowing from the application to

the insurance business of the Clayton act, the federal trade commission act and the Robinson-Patman act. The problem confronting the insurance business and this committee was to channel these joint efforts so that the work of each would be available to all. Accordingly, it was suggested that a liaison be established between the various industry committees with this committee and that the legal briefs and memoranda prepared in connection with the problem be interchanged not only by the industry committees but with this committee. This suggestion was accepted by this committee upon agreement by the industry representatives present."

Insurance on Surplus Properties of RFC

WASHINGTON—The managers of RFC agencies, some 30 throughout the country, will pass upon insurance in connection with direct RFC loans to purchasers of surplus property where local credit is not available to them, it is understood. Such insurance will be required to protect RFC interest in the property concerned until it is paid for.

To help purchasers of surplus property obtain financing, RFC will automatically guarantee bank loans to purchasers up to 75% with a ceiling of \$250,000 each, it is announced. Insurance is required in this connection.

RFC is disposal agency for surplus air craft and aeronautical equipment, industrial plants, capital and producers' goods.

RFC has financed over 3,400 war projects costing \$8.5 billions. Over 2,400 projects involved RFC-owned machinery and equipment in privately owned plants. When one of these projects is terminated the equipment goes to an RFC disposal center where it is stored until disposed of. RFC has acquired use of space throughout the country and has been acquiring and building warehouses. RFC is not insuring any of the warehouse operations or surpluses stored there.

IN U. S. WAR SERVICE

Maj. George H. Pratt, resident manager of the Employers group in Portland, Ore., before entering the army, was with Ernie Pyle when the famous correspondent was killed on Iwo Jima. Pyle's last words, "Are you all right?" were in concern for the Oregon major, who was in the jeep with Pyle when it headed for the front lines. He is the son of J. K. Pratt, local agent of Eugene, Ore., prominent in state association activities.

Philip E. McDonnell of Chicago, who was formerly assistant underwriter in the Chicago department of the Accident & Casualty, has been awarded the bronze star for extraordinary heroic acts. He has been in Czechoslovakia and is now a first lieutenant in the 90th division of the third army. His unit found the salt mine in which much treasure was buried. His father is C. J. O'Donnell, who for 20 years has been a broker in the Chicago agency of Alexander Smullan.

Albert Burgess, Jr., son of Al. C. Burgess, local agent of Joplin, Mo., has completed seven months' training in A.S.T.P. at University of Wyoming and now is in battery A, 12th battalion, fourth regiment of the field artillery at Ft. Bragg, N. C.

Capt. William J. Kelleher, son of William M. Kelleher, special agent of London & Lancashire, Chicago, is home on furlough after completing a number of missions in northern Italy. He was awarded the distinguished flying cross, the air medal with five oak leaf clusters, and two unit Presidential citations. He returns to Miami, Fla., shortly for reassignment.

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Houston Leader Dies



CRAIG BELK

Craig Belk, owner of the Rice & Belk local agency at Houston and a former president of the Insurance Exchange of Houston and of the Texas Association of Insurance Agents, died at his home after an illness of several weeks. In 1919-20 he was on the executive committee of the National Association of Insurance Agents and was regarded as presidential material. He had been in the insurance business at Houston about 37 years.

Mr. Belk was formerly president of the Houston Country Club and had been chairman of the playgrounds committee of the Houston Parks & Recreation Association. He was a charter member of the Y.M.C.A. in Houston. A son, Lt. Craig Belk, Jr., who is with the army ordnance stationed at Honolulu, was home on leave at the time of his father's death.

Allan Stevens Is Working on Special Program for Bank Financing

Allan Stevens, president of Great Eastern Fire of White Plains, N.Y., is endeavoring to put into operation a special program for bank financing and local agency insuring of automobiles. He conducted a conference in New York recently that was attended by representatives of 10 stock fire companies and there outlined his ideas in detail. Mr. Stevens for some time has been a leader in bank automobile financing. He is the author of a set of forms and instructions under which the banks can carry on this activity.

It is now Mr. Stevens' proposal, with the aid of perhaps 10 stock fire companies, to organize a new insurer which would be noncompetitive. The cooperating bank, in financing the purchase of automobiles, would put through the insurance in this company for the account of the local agent that the motorist designated. Every agent who desired to participate in the plan would become licensed for this company. The agent would pay his own license fee, the cost being deducted from his first commission check. It is proposed to pay 20% commission to local agents and the new company would retain 5% of its premium revenue to finance spot broadcasts and perhaps other forms of advertising.

This non-competitive insurance company would be reinsured by the stock fire companies that Mr. Stevens is seeking to engage in the program.

EXAMINER WANTED

By a large Western Department, outside of Chicago. State age and experience. Address B-74, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

FWA Wants Projects It Disposes of Insured

WASHINGTON—The federal works agency wants suitable fire and extended coverage on its wartime public works projects that are disposed of.

FWA activities in wartime have been limited largely to building or financing the construction of such community facilities as hospitals, schools, fire department buildings, waterworks, electric light and other utility plants, venereal disease treatment centers, sewage disposal plants, recreation facilities for members of the armed forces, etc.

Under the law FWA may dispose of these projects to the local communities concerned, or otherwise, when they are no longer needed as wartime facilities. In case of lease or sale on partial payment, FWA wants insurance to protect its interests. The same is true when FWA buys a local bond issue to provide funds for construction of a hospital to meet wartime needs, for example, until the bonds are paid off.

No Conn. Valley Crop Cover

The War Food Administration in Washington disclosed last week that there will be no federal crop insurance for the Connecticut Valley tobacco crop this year, since it has been impossible to secure the necessary data on past crops in Hartford county, which had been selected as the experimental area for the entire valley, in time to prepare detailed plans and sell insurance to the growers this year. It is expected that Hartford county will get consideration in the 1946 tobacco insurance program, and some of the information collected this year may prove of value at that time.

Federal legislation authorizes a three-year experimental program of tobacco insurance in not more than 20 counties.

Fire Destroys Indiana School

The three story junior high school at Brazil, Ind., was completely destroyed by fire. The total loss to the insurers will run something less than \$200,000.

Marine Adjusting Course

NEW YORK—Believed the first to be given in this country, an inland marine loss adjusting course is in process of reorganization under the sponsorship of the Insurance Society of New York. It will probably open in October. The course was suggested by students in the fire loss adjusting course and quite a demand has developed for it.

Joint Meeting at Richmond, Ind.

The Richmond (Ind.) Association of Life Underwriters held a special meeting Wednesday at which fire and casualty agents of the city were guests. Commissioner Pearson of Indiana and Deputy Commissioner John D. Cramer both spoke in high commendation of what is being done by insurance interests in that city toward helping reestablish returning veterans in the community. The program was broadcast.

NEWS BRIEFS

Ralph E. Truman, special agent of the National Board in western Missouri, will be presented the distinguished service cross at a ceremony at the Liberty Memorial in Kansas City May 27 by state and military officials. Mr. Truman served in the former war and was a major general in the present war in charge of Camp Robinson, Ark., until a year or so ago when he returned to civil life. He is a cousin of President Truman, who has been invited to attend the ceremony.

E. L. Kernkamp, cashier of St. Paul F. & M. and an employee of the company 46 years, died Tuesday.

Miss Ruth Phillips of Glens Falls Indemnity has been elected president of the Insurance Women of Columbus, O. Miss Dorothy Schuhardt, I. B. Lentz Co., is vice-president; Miss Bonny Andrew, Frank E. Kirkpatrick agency, secretary; Miss Frances Burnett, American Surety, treasurer. Mrs. M. K. Chaffin, retiring president, is chairman of the executive board.

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EDITORIAL COMMENT

Gathered Light to Scatter

Last week there went "from this bourne of time and space" on his great adventure, Ray Evans, local agent and head of the Citizens Underwriters Agency of Bluefield, W. Va. He was a former president of the West Virginia Association of Insurance Agents. As his craft crossed the bar, when he was far out to sea undoubtedly Ray Evans had a smile on his face and a song in his heart.

He was West Virginia's perennial toastmaster or after dinner speaker. He was particularly at home in this connection when he was at a banquet of home state insurance men. Yet his name and fame had spread beyond the confines of insurance men.

He was West Virginia's great apostle of geniality, good cheer and merriment. His mission in life was to make other people happy and lighthearted.

He was particularly at home at the West Virginia insurance banquets where he knew the folks could take advantage of the spirit of the hour, the events and personalities at the tables. There was nothing caustic or irritating in his high glee and jovial observations. All his material was clean and wholesome.

At times Mr. Evans would stand and look at something on the wall but say nothing. The whole audience would burst into laughter because of his whimsy.

Ruts in Wording of Forms

It is rare that two court decisions interpreting insurance policies deserving editorial comment occur in successive weeks. Almost on the heels of the New York decision on the waiver of inventory clause comes a federal court case in West Virginia which throws some very cold water on the old expression in insurance forms "for account of whom it may concern." The net result of this latter decision, at least as far as the lower court is concerned, is that the school board which paid for the insurance is completely frozen out of the recovery, the whole proceeds going to a coal company which had originally owned the property.

Apart from the fact that the decision may be upset by a higher court, the West Virginia case is an extreme one and seems to be primarily a grudge fight between the school board and the coal company, which did not like the board's decision to replace the school with one a considerable distance away from the old site. It also appears from present information that the fight on appeal will

be primarily over the interpretation of the state school law and the deed by which title to the property passed to the school board. Thus, this case may turn out to be an insurance matter only to a limited extent and probably the suit could not have been averted even if the language in the policy form had been better chosen.

Nevertheless, a well publicized and startling case such as this gives new strength to the old exhortation to be careful about wording forms and particularly to getting out of the rut of using language just because it has been used before and sounds good. We know nothing about the circumstances under which this insurance was written, and we may owe someone an apology for rash judgment, but we have a strong suspicion that little or no thought was given to the "whom it may concern" part when the form was composed. It is a common expression and it offers what seems a lazy way to cover all interests and thus to avoid possible criticism of an ambitious competitor making

a survey. Very likely—again we admit we are only guessing—this expression was parroted in successive renewals without a thought. If we should be wrong in this particular case, we feel very safe in saying that there are thousands of special forms in force today in which this assumption is correct.

Undoubtedly, this decision will cause

most of these forms to be reviewed and rewritten. Unfortunately, the expression will probably be hauled out of many forms, without any sound examination, but simply because this decision will alarm people and make them feel something should be done. Whether the substituted language will be any better may be open to question. If the decision makes even a few form writers think out some clear, satisfactory language, it will have been a good thing for the business.

It is only human to try to use established language whenever possible.

Sometimes it does have legal advantages, but too often it is a shield for subconscious laziness. THE NATIONAL UNDERWRITER, every other insurance publication and every special risks underwriter is too familiar with requests for "a form for a coal mine," or any other type of risk. When a form is forthcoming, we know that too often it is used without change or thought of the individual circumstances, the user

feeling that the fact that it has been used previously throws a cloak of safety about it. (We never heard of such an inquirer asking if a loss had been settled under the proffered form.)

This tendency, of course, is by no means confined to insurance. A few years ago, when the state of Illinois substituted code procedure for the antiquated common law pleading in its courts, there was a cry from many lawyers that it would take a generation of trial and error to shake down the new procedure, while the old system, though cumbersome, was thoroughly known and well handled by everyone. Several law librarians pointed out that the books containing common law forms were worn out, but the treatises on the theory and meaning of common law pleading never left the shelves. In other words, many lawyers—and judges—were getting along with forms others had written for them, but had little or no idea what they meant or why they were used. We are afraid the same condition is too true with many insurance forms.

Let it be said to the credit of the writers of the standard published forms that their product has improved immeasurably in the last few years and that now these criticisms apply to them only in rare cases. Let us hope that this recent case will help do the same with special forms.

PERSONAL SIDE OF THE BUSINESS

W. O. Minter, secretary of National Fire, has completed 25 years of service. He attends to business in the middle department and Canada. He was a local agent in Virginia, was with the Southeastern Underwriters Association, Fred S. James & Co. in New York City, and in 1920 he became special agent in Virginia for the National Fire group. Two years later he became North and South Carolina state agent, went to the home office as agency superintendent in 1928, became assistant secretary in 1929, and secretary in 1940.

H. T. Anthony, Elmendorf-Anthony Co., Spokane agency, has recovered from a long siege of illness and is in fine fettle again. He spends some time at the office and his condition is excellent.

C. G. Waldo of the Bosquett & Co. general agency, Detroit, began playing golf 47 years ago and still shoots in the 70s. He was a member of two intercollegiate championship golf teams at Yale and scored the biggest upset in the 1912 national amateur when he defeated Harold Hilton, British and American amateur champions, in the first round. He played in the first baseball league organized in England (1916). He has served as treasurer and vice-president of the Detroit Association of Insurance Agents.

Roy Starks, superintendent of underwriting division No. 2 of Hartford Fire in the western department, is ill in Augustana hospital, Chicago.

Ten Republican state senators of Kentucky have recommended to Governor

Willis that he appoint **Ray B. Moss**, head of a Pineville local agency and also a state senator, as U.S. Senator to succeed A. B. Chandler, recently named baseball commissioner. However, Chandler has not resigned from the Senate as yet and has indicated that for the time being at least he will hold both posts.

Mr. Moss has been quite active in Republican politics and a leader in the state senate for several sessions.

David G. Baird, vice-president of Marsh & McLennan at New York, has been elected a director of the Midland Trust Company of New York. Mr. Baird is also a director of United Cigar Whelan Stores Corp. and other companies, and is also active in charitable organizations.

Edward M. Polk of Corsicana, Texas, one of the charter members and a past president of the Texas Association of Insurance Agents, is celebrating his 50th anniversary as a local agent.

Carl Pearson of the insurance editorial staff of the New York "Journal of Commerce" is celebrated these days as the new father of twin girls. They have been named Jeanne and Joan and they swell the Pearson household to a total of three daughters.

Edward J. Mulgrew, automobile superintendent at Philadelphia of Pennsylvania Fire, was honored by his associates on his 25th anniversary with the company. His desk was covered with bouquets and at noon the office force gath-

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ered while Secretary S. R. Howard spoke a word of praise of Mr. Mulgrew and presented him with an anniversary honorarium and commissioned him a member of the "Norbit Guards." Assistant Secretary H. A. Carl presented Mr. Mulgrew with a mahogany knee hole desk and Executive Special Agent W. L. Rhoades presented him with a mahogany occasional chair. Mr. Mulgrew was then taken to lunch by the office force.

Frank H. Thomas, president of Fire Association, spent a day in the Chicago office last week en route to the Pacific Coast.

John R. Cashel, western manager of Providence Washington, is in South Carolina on a vacation. He is waterlogged because he has been unable to get accommodations back home.

Curtis Pierce, president of Factory Insurance Association, spent the week in Chicago.

H. W. Bailey of Milwaukee, Wisconsin and Illinois state agent of the Meserole group, has been tapped for the grandfather club, a son, James Bailey Giffin, having been born to Mr. Bailey's daughter, Mrs. Douglas Giffin at Milwaukee.

DEATHS

Oscar J. Eastman, age 52, apparently in good health, was stricken Saturday with coronary thrombosis and died that evening at his home at Minneapolis. He was secretary and treasurer of Northwestern Fire & Marine. He had been associated with that company during his entire insurance career of 37 years. He was also an executive officer of Twin City Fire. Funeral services were held at Minneapolis Tuesday. Vice-president J. C. Hullett of Hartford Fire attended from the home office.

James Bothwell, 87, one of Seattle's old-time local agents, who retired in 1943, died there. He was a native of Illinois and went to Seattle 60 years ago. He was in the banking business until he established his agency in 1889.

Sgt. James K. Mathews, son of Glenn D. Mathews, publisher of the "Insurance Magazine," was killed in action on Okinawa, according to word received by his father.

Sgt. Edwin E. Johnson, 36, former assistant counter man and for 17 years with Gilmour, Rothery & Co. in Boston, has been killed in action while serving with the Seventh Army in Germany.

Jeremiah J. Concannon, 75, local agent in St. Louis for 45 years prior to his retirement about five years ago, died from pneumonia.

Robert B. Umberger, 58, executive vice-president of the Industrial National Bank of Chicago, and widely known among insurance agents of the country for his vigorous championship of the bank-agent plan of financing and insuring automobiles and for his successful use of the plan in his own bank, died at Chicago at the Edgewater Beach hotel. He suffered a coronary thrombosis April 14.

Mr. Umberger was one of the featured speakers at the Milwaukee convention of the National Association of Insurance Agents, where he discussed the bank-agent arrangement, and at the Insurance Advertising Conference last year, where he spoke on the same subject.

The two talks, "The Insurance Man and the Banker in the Auto Trade," and "The Spot Cash Auto Purchase Plan," were given wide distribution by the bank. More than 300,000 copies were sent free to insurance companies, agents and banks. His efforts and the success the Industrial National Bank has had with the bank-agent plan on automobile purchases since it was set up in 1940, are credited with getting the bank-agent program popularized and underway on what now amounts to a country-wide basis. He was the prime mover in the consumer credit committee on direct auto

business of the American Bankers Association.

Harold L. Abell, 56, head of the local agency of C. Lee Abell & Co. at Buffalo and a director of United States Fire, died. He was president of the Marine Elevator Co. and had been president of the old Union Fire of Buffalo until it merged with New York State Fire of Albany in 1930.

Carl M. Friden, 54, inventor and industrial organizer, founder and president of the Friden Calculating Machine Co. at San Leandro, Cal., died there. A native of Alvesta, Sweden, Mr. Friden graduated from the Institute of Technology in Stockholm. A notification from the king of Sweden conferring the Vasa order of knighthood on Mr. Friden came at the funeral services. In 1933 Mr. Friden invented and perfected the calculator which bore his name and subsequently the Friden Company constructed a modern factory at San Leandro.

Mrs. Charles E. Sheldon, 84 of Rockford, Ill., widow of the late western manager of American, died at her home after a long illness. Mrs. Sheldon took a particular interest in insurance friends of her husband. She was personally acquainted with many of them. Long after his death she would have one of her sons-in-law tell her the main events of the week insurance-wise, including any news of the personalities and friends. She was a woman of noble character and splendid attainments. She was a member of the Congregational church and associated with its activities.

Mr. Sheldon built a magnificent home on the banks of the Rock River in Rockford. He was one of the group that founded the summer colony on the Michigan shore known as Michillinda, composed of people from Illinois, Michigan and Indiana. Mr. Sheldon died at his summer place in July, 1924. There were five Sheldon daughters. One of them, Mrs. Harry B. Elmers, is wife of the assistant western manager of American; Mrs. Shaler G. Smith, also wife of one of the executives in the western department; Mrs. Norman F. Thompson, New York City, Miss Sybil F. Sheldon, Red Cross superintendent of psychiatric workers in the U. S. Army Hospital, Pasadena, Cal., and Mrs. O. G. Williams of Winsted, Conn. There are 12 grandchildren and five great-grandchildren. Services were held at the Sheldon home in charge of Rev. John Gordon of the Second Congregational church, of which Mrs. Sheldon was a member.

Those who attended the Western Insurance Bureau meeting many years ago and heard Mr. Sheldon pay tribute to his daughters at the banquet will never forget the memorable event when, full of sentiment, happy memories and affection, Mr. Sheldon poured out his feeling for his daughters. It was Mr. Sheldon in his finest form.

Werner Luginbuhl, head of the inland marine department at the head office of the Meserole companies, is bereaved by the death of his wife, **Mrs. Rose T. Luginbuhl**. She died Sunday at Fifth Avenue Hospital, New York, after having been ill since January with a heart ailment. The Luginbuhl home is at Valley Stream, L. I. She was 48 years of age.

A. H. Wightman, 73, who was with American Reserve of New York from 1929 until he retired several years ago, died in veterans hospital at Newington, Conn. He was a veteran of the Spanish-American War. He had been connected with Hartford Fire for 25 years at the home office before going to New York, and previously had been with Connecticut Fire.

Norman Harbrecht, 52, local agent of Cudahy, Wis., died from a heart attack.

Lt. John V. Richards, Jr., of J. V. Richards & Son, Nashville general agency, is now stationed in England with the army of occupation.

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The Army calls it Logistics . . . the vast behind-the-line supply activity that gets "what's needed, where it's needed, when it's needed." Every "front line" Hanover-Fulton representative sells more successfully because he can rely on our behind-the-line support . . . for expert analysis of a client's needs; for a recommendation of positive protection without waste coverage; for quick, understanding decisions, for prompt payment of claims. Wouldn't this ever-present cooperation be a success-builder for you?

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WESTERN DEPARTMENT:

Insurance Exchange Building

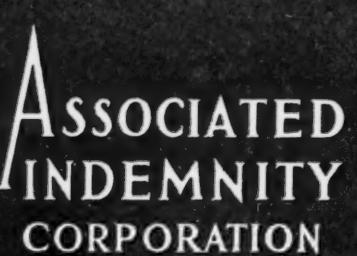
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Exhibit of National Bureau Shows 1944 Experience

Premium Total of \$852,438,020 Is Record and 6.3% Over 1943

NEW YORK—Stock companies licensed to transact casualty insurance in New York state produced in 1944 total net written premiums of \$852,438,020, according to the annual compilation of the New York casualty experience exhibit just completed by the National Bureau of Casualty & Surety Underwriters. This represents the largest volume ever reported by this group of carriers, an increase of 6.3% over the preceding year, and the third year in a row that the \$800,000,000 figure has been surpassed. The same companies are included as in 1943 except for the addition of United National Indemnity of the National Fire group, organized in 1944.

Underwriting Profit Lower

The underwriting profit prior to reflection of federal income taxes was 8.8% of earned premiums, considerably lower than the 13.3% reported in 1943 and the 13.2% in 1942. As in the past two years, the compilation has been developed to show the net gain or loss from underwriting both prior to and subsequent to reflection of federal income taxes because of the varying treatment of these taxes by the reporting carriers. Certain carriers, developing more than one-third of the total underwriting profit prior to federal income taxes, do not allocate such taxes by line of business. The underwriting profit shown in the exhibit after federal income taxes was 6.4% for 1944 but this figure would be substantially lower if an allocation of federal income taxes by line were available for all companies.

An underwriting profit was produced for all lines of business except health, glass, boiler and machinery, automobile property damage, automobile collision and miscellaneous lines. The health, glass, boiler and machinery and miscellaneous lines produced an underwriting loss last year as well.

In interpreting the results by lines certain abnormal factors should be taken into consideration, the Bureau comments.

Auto B. I. Premiums Increase

Despite the curtailment in the use of cars and the substantially reduced wartime rates, total net written premiums for automobile B. I. were higher than in any year prior to 1941, amounting to \$186,805,928, an increase of more than 20% over 1943. The increase is attributed partially to the introduction of financial responsibility laws in several states, but probably more to the increase in the income of many automobile owners previously uninsured and now becoming insurance conscious. The underwriting profit was 4.6% prior to federal income taxes, substantially lower than the 14.9% reported for 1943. There is considerable doubt whether this margin will suffice to take care of the increase in use resulting from the anticipated increase in gasoline rationing following the end of the war in Europe.

The automobile property damage liability premiums were the highest ever reported, \$67,229,110. As anticipated by

Bankers Committee Shows Bond Savings Asks More Burglary and Robbery Cuts, Transit Clarification

In addition to analyzing the recent rate reductions in bankers blanket bonds, the current "Protective Bulletin" of the insurance and protective department of the American Bankers Association asks for three more changes: reduction of rates for burglary and robbery insurance written excess over bankers blanket bonds, clarification of the transit insuring clause in Form No. 24 and introduction of coverage on securities deposited with federal reserve or correspondent banks.

F. B. Post, president State Savings Bank, Ionia, Mich., is the new chairman of the insurance and protective committee and author of the report, succeeding W. B. Gladney, Baton Rouge, La.

The report analyzes the rate reductions, pointing out, as indicated in THE NATIONAL UNDERWRITER last week, that Form No. 8 Revised will become obsolete, as Form No. 24, with broader coverage, is now available at the same rates, provided the same exclusion of tellers' shorts is added.

Going through the rate schedule, the report states that the basic charge for bankers blanket bonds is reduced 10%. (This basic charge applies only to the obsolete Form No. 1, and the other bankers blanket bonds take a surcharge over the basic rate.) No change is made in the surcharges for Forms No. 2 and No. 8 Revised, so these forms get a flat 10% reduction. For Form No. 24, however, the surcharge for coverage without misplacement is cut from 35% to 20% and with misplacement coverage from 55% to 40%. The new surcharges are the same as for No. 8 Revised. Thus, for cover without misplacement, the schedule for Form No. 24 is 120% of 90% of the old basic charge, as compared with the old scale of 135% of 100% of the old charge. The actual reduction is thus 20%. With misplacement coverage, the reduction, by application of the same arithmetic, amounts to 18.7%.

Tellers' Shorts Exclusion

Mr. Post's report points out that a bank which wants coverage without the tellers' shorts exclusion can still get it under Form No. 24, at the old surcharges of 35% and 55%, but with the 10% cut in the basic rate applying. This would be a fairly steep increase for this coverage and the ABA committee urged member banks to accept the exclusion.

The article points out that the exclusion does not flatly exclude all shortages, but only shortages due to errors, with the statement that shortages not in excess of normal shall be presumed to be due to error. A shortage greater than normal may be made the basis of a misplacement or disappearance claim, unless it is known to be due to error. The article also states that only a small minority of banks insured under Form No. 24 have made claims for normal tellers' shortages.

At least 95% of the banks are affected by these rate reductions, the report states, and the savings should total \$1.5 million, making a total of \$10.6 million since 1936. It also states that non-conference companies writing the "NAMS" bond for savings banks will probably meet the 10% reduction made in its conference rival, Form No. 5 Revised.

The proposal for a reduction in excess burglary and robbery rates states that the loss ratio is close to zero and that a flat rate of \$1 per \$1,000 should be charged, instead of the present territorial charges of from \$1 to \$4.75. Negotiations are under way to clarify the transit clause of Form No. 24 to define

Lloyds Settles Central Mutual Reinsurance Claim

The claim of the receiver of Central Mutual of Chicago against London Lloyds under reinsurance contracts has been settled for \$105,000 cash. An order approving the settlement has been issued by the Cook county circuit court.

The claim of the receiver amounting to \$192,000 was compromised at \$135,172, subject to set-off of London Lloyds against the receiver for \$30,172. The latter was the amount approved by the court out of a claim of \$117,830 for premiums due from Central Mutual to London Lloyds.

The fee of \$3,986 of Daniel A. Covelli, master in chancery, who took testimony in the suit, was paid by the receiver.

London Lloyds maintained that the liability on the reinsurance policies of Central Mutual was limited to a pro-rata share of the ultimate dividends paid to creditors, following the theory of the U.S. Supreme Court decision in the Allemannia case. The receiver contended that the liability was under the theory of the Supreme Court in its decision in the case of Pink as liquidator of Southern Surety against Fidelity & Deposit. Under that decision the reinsurer must pay its proportion of the claims allowed rather than a proportion of the amount actually disbursed by the receiver.

Michigan Motor Freight Lines and Great Central Transport Corp., former policyholders of Central Mutual whose policies were reinsured in Lloyds, intervened, through Attorney Myer Rosenzweig. They filed an answer in the circuit court recommending that the settlement with Lloyds be approved.

There were five reinsurance policies involved, written on the basis of a deposit premium, plus monthly payments to Lloyds of the stipulated premium on risks assumed during the particular month. Consequently at all times there was an amount due Lloyds by Central Mutual. Two of the policies were pro rata reinsurance and the others were excess. London Lloyds' claims for premiums due were based on three policies in effect on the date of receivership. The difference as to what was owed London Lloyds lay in the question of whether premiums were due after the date of receivership.

A clause in the reinsurance contract provided that should the company go into liquidation or a receiver be appointed, Lloyds underwriters would be entitled to deduct from any sum which might become due to the company under the contract premiums due to Lloyds under the particular contract or other contracts of reinsurance between Lloyds and the company.

Beckman, Healy & Hough were attorneys for the receiver and Lord, Bissell & Kadyk appeared for Lloyds.

Round Table Session in Detroit

DETROIT—At the May meeting of the Surety Association of Michigan current surety problems were discussed in round-table style. The June meeting will take the form of a golf outing at a nearby country club. J. L. Lacy, Fidelity & Casualty, is chairman of the entertainment committee.

coverage of property in the custody of a person acting as messenger for another bank, public official or other party with whom insured property has been deposited. The report says the companies have consented to this and an announcement will be made as soon as the proper language is drafted.

Indemnity of N. A. Goes Independent in Fidelity-Surety

Uses Term Rates for Fidelity—May Touch Off Intense Competition

Indemnity of North America has resigned from the Tower Rating Bureau and the Surety Association of America, effective May 15, and has filed with the New York department its own manual for forgery, fidelity and surety, which became effective May 15. The New York department has indicated that it will offer no objection to the new manual.

Inclusion in the manual of a three-year term rate for all fidelity blanket and forgery bonds is an outstanding feature of the new manual. The term plan has been used by London Lloyds and by some of the non-Tower American companies. If the term premium is paid in advance the three year premium is 2½ times annual. If paid in installments of 50% in advance, 30% the first anniversary and 20% on the second anniversary there is an additional charge of 5%.

Credit for Audit

The new manual also allows percentage credits for the use of an audit. An adequate audit is defined as one made by a certified public accountant and it must be the equivalent at least of a balance sheet audit and include verification of all assets, liabilities, and accountabilities of the insured. For a quarterly audit by a C.P.A. there is a 10% premium credit, for a semi-annual audit 5% credit, while if the audit is annual the credit is 2½%. Also, the manual allows a 5% credit for an internal audit by the insurer's own auditing department, supervised by an employee who is a public accountant, or the equivalent, and who gives his full time to accounting.

Restoration Premium Waived

The manual includes the waiver of restoration premium provision in all bankers, brokers bonds without charge. It also includes the retroactive reinstatement provision in primary commercial blanket bonds without charge. The waiver of restoration premiums is also included in primary and excess commercial blanket bonds, without charge.

(CONTINUED ON PAGE 32A)

Indemnity of N. A. Gets ATC Cover

The Indemnity of North America bid for coverage of army transport command passengers has been accepted by the War Department, it is reliably reported.

Proposals to provide such coverage were submitted by half a dozen companies and groups, through the U. S. Chamber of Commerce, several weeks ago, to the war department. If such a plan proved acceptable, it was proposed to extend it to the navy air transport service. When bids were submitted Lumbermen's Mutual Casualty suggested any plan accepted from an insurer should be open to participation by other companies.

N. Y. Department Exhibit

The accompanying tables on 1944 automobile experience were compiled by the New York insurance department from the casualty experience exhibits filed by companies licensed in New York. They give the countrywide experience of individual casualty companies on automobile bodily injury, showing premiums earned and losses and expenses incurred for 1944 plus an analysis of the incurred expense ratios. For property damage liability the experience is given in aggregate only. Incurred losses are based upon case estimate reserves and

exclude allocated claim expense. Expense ratios include both allocated and unallocated claim expense. Expense ratios have not been adjusted for federal income tax that is paid on underwriting profit.

In New York state only in 1944 total bodily injury premiums of stock companies were \$33,786,394, compared with \$36,116,792 in 1943, and \$46,082,457 in 1942. The loss ratio in 1944 was 53.4. Mutuals in New York in 1944 had total B. I. earned premiums of \$15,632,719, compared with \$15,975,263 in 1943, and

\$20,010,710 in 1942, with a 1944 loss ratio of 47.1. Reinsurers' total B. I. earned premiums in New York state were \$151,152 in 1944, compared with \$222,900 in 1943 and \$708,346 in 1942, with a 1944 loss ratio of 155.6. Property damage totals for New York state in 1944 were: Stock companies, \$10,782,684 with a loss ratio of 49.2; mutual companies, \$4,944,563 and 42.0, and reinsurers \$6,149 and 12.9. The stock companies in 1943 had \$10,808,287 in P.D. premiums and the mutuals \$4,837,001.

Bodily Injury Liability

STOCK COMPANIES

Prem. Earned (Countrywide)	Underwriting Ratios (Countrywide)			Analysis of Expense (Countrywide)					
	Loss	Expense	Net Gain	Claim Adjust- ment	Acquisition and Field Super- vision		General Adminis- tration	Inspection and Bureau	Taxes and fees
					Underwriting Ratio	Expense Ratio			
Accident & Casualty	56.0	60.0	-16.0	12.7	30.1	12.0	2.1	3.1	
Actna Casualty	41.0	51.6	7.5	9.2	27.9	10.4	.7	3.3	
Allstate	39.2	45.8	15.0	11.8	9.7	20.0	1.3	3.0	
American Auto.	36.7	51.9	11.4	10.8	32.7	4.7	.8	2.9	
American Employers	45.8	48.2	3.0	8.2	28.4	8.6	.4	2.6	
American F. & C.	53.6	38.1	8.3	10.0	15.7	3.7	5.0	3.7	
American Guar. & Llab.	77.2	47.1	-24.3	10.5	25.7	4.5	2.3	4.1	
American Motorists	33.3	36.0	30.7	6.9	21.0	2.8	8.5		
American Policyholders	54.4	37.1	8.5	18.7	-30.0	37.1	2.1	3.3	
American Surety	52.4	59.4	-11.8	9.5	29.5	15.0	2.5	4.3	
Arex Indemnity	63.3	42.2	-5.5	15.8	10.7	8.9	2.5		
Associated Indemnity	58.6	61.1	-19.7	20.0	27.7	7.1	3.2	3.1	
Bankers Indemnity	41.4	52.1	6.5	10.2	26.5	11.5	1.1	2.8	
Car & General	38.5	57.1	4.4	12.7	28.9	10.3	2.3	2.9	
Central Surety	54.4	41.0	4.6	13.9	18.2	5.2	.7	3.0	
Century Indem	52.5	50.5	-3.0	9.0	30.1	6.8	1.2	3.4	
Citizens Casualty	49.5	56.4	-5.9	20.3	19.2	12.5	1.9	2.5	
Columbia Casualty	30.8	55.8	13.4	11.1	27.3	12.6	1.0	3.8	
Commercial Casualty	51.3	54.8	-6.1	12.1	27.2	12.0	.6	2.9	
Connecticut Indemnity	40.5	57.7	1.8	15.8	27.7	9.9	1.8	2.5	
Continental Casualty	63.4	39.9	-3.3	11.2	17.8	6.9	1.4	2.6	
Eagle Indemnity	61.5	49.0	-10.5	9.7	27.1	6.9	1.9	3.4	
Employers' Liability	46.3	47.2	6.5	8.9	26.1	8.4	.6	3.2	
Fidelity & Casualty	49.0	46.3	4.7	10.5	25.6	6.4	1.5	2.3	
Fireman's Fund Indem	42.7	50.2	7.1	12.0	24.9	9.0	1.6	2.7	
General Accident	33.6	43.3	23.1	9.9	24.0	5.8	.8	2.8	
General Cas., Seattle	47.4	48.7	3.9	8.2	30.9	5.8	1.1	2.7	
General Trans. Cas. & Sur.	42.7	30.2	27.1	15.4	3.8	7.0	.4	3.6	
Glens Falls Indemnity	33.5	55.9	10.6	10.8	31.8	8.8	1.1	3.4	
Globe Indemnity	52.29	53.2	42.2	7.1	23.1	6.1	2.8	3.1	
Great American Indem	52.2	48.9	-4.1	8.9	25.2	8.2	3.0	3.6	
Hardware Indemnity	51.0	33.5	15.5	10.5	11.5	8.0	.5	3.0	
Hartford Accident	47.3	45.6	7.1	8.5	24.1	8.5	1.2	3.3	
Home Indemnity	49.2	49.1	1.7	11.0	28.7	5.0	1.1	3.3	
Indemnity of N. A.	49.6	48.9	1.5	9.5	26.3	8.7	1.0	3.4	
Keystone Auto. Club Cas.	745,925	14.8	47.6	11.0	21.6	13.3	.3	1.4	
London Guarantee	28.9	52.0	19.1	11.7	26.9	9.2	1.0	3.2	
Lord & Lancashire Indem	52.3	52.7	-6.0	10.7	27.1	10.2	1.2	3.5	
Manufacturers' Casualty	53.3	55.0	-8.3	12.4	29.9	8.3	1.6	3.8	
Maryland Casualty	37.9	48.2	13.9	10.6	27.5	5.6	1.2	3.3	
Massachusetts Bonding	54.3	48.5	-2.8	10.9	22.9	9.8	2.4	2.5	
Merchants Indemnity	21.9	50.8	27.3	11.2	28.4	8.2	.4	2.6	
Metropolitan Casualty	54.3	53.9	-8.2	10.4	27.3	12.1	.7	3.4	
National Casualty	62.8	53.4	-16.2	13.8	25.4	9.7	1.5	3.0	
New Amsterdam Casualty	52.0	50.3	-2.3	10.1	26.2	8.6	2.1	3.3	
National Surety	793	61.2	-10.2	10.4	30.1	14.5	2.3	3.9	
New England Cas.	49.0	51.1	2.2	2.2	1.5	2.4	.1	2.6	
N. J. Manufac. Casualty	33.5	56.8	59.7	10.8	25.6	8.5	2.2	3.0	
New York Casualty	51.5	50.1	-1.6	10.8	30.2	13.7	2.4	4.3	
Norwich Union Indem	50.5	59.4	-9.9	8.8	25.4	11.0	1.0	3.4	
Ocean Accident	27.5	51.1	21.4	10.3	25.4	11.0	1.0	3.4	
Peerless Casualty	57.0	46.0	-3.0	5.8	29.9	7.8	.1	2.4	
Pennsylvania Casualty	67.1	50.2	-17.3	16.5	20.3	10.3	1.6	3.5	
Phoenix Indemnity	1,085,383	43.4	64.4	10.7	27.9	7.4	1.2	3.0	
Preferred Accident	2,792,530	57.9	60.5	-18.4	15.6	52.0	8.0	1.8	
Protective Indemnity	529,046	54.0	62.5	-6.5	11.4	33.1	2.8	3.3	
Royal Indemnity	3,494,450	53.6	46.6	-2	8.0	24.3	8.4	2.8	
St. Paul Mercury Indem.	2,628,457	46.8	48.2	5.0	9.0	25.1	9.4	3.2	
Seaboard Surety	3,367	57.5	42.5	10.4	46.0	5.8	3.0	2.7	
Standard Accident	36.6	58.3	5.1	17.2	28.4	8.2	1.3	3.2	
Standard Surety & Cas.	67.6	52.2	-19.8	10.4	30.8	5.7	1.6	3.7	
Sun Indemnity	69.7	55.2	-24.9	15.6	25.2	9.4	1.2	3.8	
Travelers Indemnity	39.7	48.7	11.6	7.2	27.9	8.8	1.4	3.4	
Travelers	13,900,698	45.7	46.8	7.5	7.7	26.9	7.3	3.6	
United National Indemnity	21,445	87.1	367.0	25.4	134.6	168.6	2.8	35.6	
United States Casualty	61.7	51.2	-12.9	11.0	27.5	7.8	1.5	3.4	
U. S. F. & G.	48.3	48.4	3.3	8.9	24.6	9.9	1.2	3.8	
United States Guarantee	39.3	45.9	14.8	6.9	25.4	9.2	.8	3.6	
Universal Indemnity	48.6	38.7	12.7	4.1	25.7	5.3	1.3	2.8	
Western National Indem	38.2	55.8	6.0	10.6	29.9	10.9	1.7	2.7	
Yorkshire Indemnity	70.4	57.6	-28.0	10.6	27.4	14.1	2.7	2.8	
Zurich	54.8	44.6	.6	10.9	23.1	7.5	.1	3.0	
1940 Totals	\$176,428,453	45.0	48.2	6.8	11.6	24.4	7.8	3.0	
1941 Totals	192,677,091	48.9	48.5	2.6	11.0	25.1	7.9	3.0	
1942 Totals	207,119,849	36.1	45.2	18.7	10.2	23.1	7.5	2.0	
1943 Totals	176,388,165	39.4	45.8	14.8	10.5	23.2	8.0	2.6	
1944 Totals	181,022,686	47.1	48.2	4.7	10.3	25.1	8.3	3.1	

MUTUAL COMPANIES

Amalgamated Mut. Auto.	\$ 315,061	47.7	36.6	15.7	22.6	10.9	.5	2.6	
American Mut. Liab.	2,466,637	38.9	34.6	26.5	6.6	17.0	8.5	1.9	
Butchers' Mutual Cas.	149,287	57.3	45.8	-3.1	15.7	11.7	11.8	3.8	
Coal Merchants Mutual	199,481	43.1	50.2	6.7	20.0	17.0	7.9	1.1	
Electric Mutual Liab.	48,950	27.7	12.7	59.6	10.5	.7	.3	1.2	
Empire Mutual Cas.	511,024	63.0	27.2	9.8	12.5	6.2	6.0	1.1	
Employers' Mutual Liab.	1,575,061	44.4	35.3	20.3	9.4	19.9	2.5	1.7	
Exchange Mutual Indem.	236,925	57.5	36.5	6.0	10.4	17.5	5.5	.9	
Factory Mutual Liab.	1,495,773	15.6	28.8	55.6	6.1	20.5	.4	1.8	
Farm Bur. Mut. Auto.	3,752,182	42.4	39.4	18.2	6.3	19.1	11.1	.7	
Hardware Mutual Cas.	4,148,418	41.2	35.0	23.8	10.8	15.3	5.2	1.7	
Interboro Mutual Liab.	578,119	49.0	29.2	21.8	13.2	5.1	5.5	2.0	
Jamestown Mutual	810,413	39.9	48.7	11.4	20.1	15.2	8.7	1.8	
Liberty Mutual	7,967,773	34.5	30.6	34.9	11.7	11.0	4.9	1.2	
Lumber Mutual Casualty	159,069	59.9	39.2	.9	13.8	10.5	9.1	2.5	
Lumbermen's Mut. Cas.	9,792,739	32.7	35.4	31.9	5.7	20.9	6.0	1.5	
Manhattan Mut. Auto. Cas.	1,229,993	72.7	36.5	-9.2	11.8	12.6	7.1	2.4	
Merchants Mutual Cas.	2,093,317	56.3	33.8	9.9	17.2	.1	11.0	1.8	
Nat. Grange Mut. Liab.	1,293,363	6.9	33.7	59.4	8.1	11.9	10.9	.5	

Uniform Auto Cover Plan for Veterans

Sullivan of Washington Devises Instructions for All Agents

SEATTLE—A plan for expediting the writing of automobile bodily injury and property damage for war veterans has been devised by Commissioner Sullivan of Washington. He has asked companies to notify their agents that they "are authorized to bind physically handicapped war veterans on the same basis as such automobile insurance is provided for the public generally, provided:

"(1) Applicant furnishes evidence of honorable discharge from the armed services.

"(2) Applicant possesses current drivers license issued by the state of Washington.

"(3) There are no other factors besides physical impairment which would render the risk unacceptable.

"The success of this program to provide automobile insurance for disabled veterans will depend almost entirely upon the promptness and efficiency with which the agent handles this business," the uniform letter suggested by Mr. Sullivan points out.

Uniform Plan Needed

The action was taken by Mr. Sullivan upon the suggestion of an industry committee, representing all types of companies as well as the agents' association.

In a letter sent to companies Mr. Sullivan pointed out that most of the companies have signed or have indicated that they will comply with the resolution dealing with physically handicapped veterans adopted by the National Association of Insurance Commissioners at the December, 1944, meeting. However, there have been some complaints reaching the department, with the result that the department has come to the conclusion that the resolution should be implemented by a more specific uniform action on the part of the companies in setting up machinery to handle this class.

Procedure Set Up

At a meeting of the industry committee, the insurance department, the department of licenses and other state officials, it was emphasized that the success or failure of the entire program depends upon a more careful scrutiny of the qualifications of an applicant for license. To mediate differences and handle complaints, a small committee representing the companies will take up individual cases with the insurance department and department of licenses. Where a company declines to write a risk, the committee will look into the reason for the declination and, if the reasons are deemed just, the committee will then present all of the facts to the department of licenses with a request that the driver's license of the applicant be revoked or restricted. It is not the intent of the plan, it was explained, to make insurance available to a veteran who is so badly impaired physically that his operation of an automobile would constitute a public menace. The entire approach to the problem is that the department of licenses should make a careful determination of those capable of driving so as not to endanger life and limb, and once this is done insurance should then be made available.

Move to Simplify Reports

COLUMBUS, O.—The Ohio senate's insurance committee has recommended for passage a bill which eliminates the necessity of casualty companies showing return premiums separately. Net premiums only will be required.

Insurance Men Are Active in Chicago Safety Parley

A number of insurance company men will take part in the Greater Chicago Safety Conference which will be held May 22-24 in the Knickerbocker hotel, Chicago, under the auspices of the Greater Chicago Safety Council and co-operating agencies. This replaces the old Midwest Safety Conference which has been postponed for the duration due to travel restrictions.

On the conference executive committee are: Warren A. Cook of Zurich, A. R. Graham, Bituminous Casualty; W. Dean Keefer, Lumbermen's Mutual Casualty; H. L. Leavitt, Liberty Mutual, and R. E. Verner, Western Actuarial Bureau.

Mr. Verner will be toastmaster at a safety award banquet to be held May 21. W. Dean Keefer, second vice-president and engineering department manager Lumbermen's Mutual Casualty, Chicago, will preside the first morning at an industrial safety session devoted to causes and prevention of war time accidents.

Casualty Engineers Sponsor Section

The Casualty Engineers Association of Chicago, composed of engineers and safety men of insurance companies, is sponsoring a section on industrial safety in small plants to be held the first afternoon and evening. Mr. Graham, supervising safety engineer of Bituminous, will preside. L. A. Faulkner, safety engineer of Liberty Mutual, will speak on "Safeguarding Machinery in Small Plants." There will be a number of outside speakers, including Dr. Harry S. Grable of Chicago, international authority on eye injuries and diseases. Maj. C. B. Cannon of the Surty Manufacturing Co., Chicago, former chief deputy of the department of factory inspection of the Illinois state department of labor, will exhibit colored pictures showing modern methods of proving eye protection and point of operation lighting in industrial plants, including accidents. Many of these pictures were taken under actual operating conditions by Major Cannon in clinics and under supervision of the war department.

Others Taking Part

Harry Dornan, fleet engineer of Hartford Accident in Chicago, will take part in a panel on fleet operation in the commercial vehicle section the first day. Lt. Col. R. W. Applegate, sixth service command safety director of the army and president Casualty Mutual, will give a talk on "The Army's Interest in Accident Prevention" in an all-conference luncheon the first noon.

At the industrial safety section clinic on maintaining interest, H. L. Leavitt, regional manager loss prevention department Liberty Mutual, Chicago, will preside and act as interlocutor. Clark D. Bridges, conservation director of Zurich at the head office, will speak on "Placing Workers Safely" in a women in war work section the morning of May 24. Elmer J. Reske, manager Cook County Inspection Bureau, will preside at a fire prevention section meeting the same morning at which H. K. Rogers, Western Actuarial Bureau, will speak on "Going Haywire in Fire Emergencies" and J. H. Craig, Illinois state fire marshal, on "How the Plant Can Improve Its Fire Prevention Inspections." Mr. Reske also will preside at a luncheon that noon. Mr. Cook of Zurich will be in the chair at an industrial hygiene session the last day in which Ben E. Kuechle, vice-president and claim manager Employers Mutual of Wausau, will speak on "Occupational Disease Liability—Financial and Humanitarian."

There also will be sessions the second day on training war casualties and industrial nurses.

Casualty Experience Exhibit for Year Ended Dec. 31, 1944*

Part I—Underwriting Exhibits

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
Premiums, Losses and Expenses																	
I. PREMIUMS Written	\$55,438,020	39,747,609	13,232,400	43,492,117	16,856,928	98,254,961	24,296,908	38,62,067	33,81,557	11,255,230	39,747,609	5,088,942	10,663,858	5,088,942	2,267,452	2,267,452	
II. PREMIUMS Earned	856,093,533	38,759,723	12,470,660	40,700,218	18,073,699	91,446,084	24,286,554	37,66,710	36,78,172	10,443,143	34,26,322	13,974,390	65,380,301	6,616,931	2,371,444	2,371,444	
III. LOSSES Incurred (Excluding Claim Expenses)	321,433,073	9,390,019	5,792,666	28,917,706	70,637,613	21,830,265	116,836,135	4,781,177	4,056,040	4,691,934	9,913,160	4,627,486	32,692,302	1,982,627	2,084,627	4,92,25	
IV. LOSSES Paid (Excluding Claim Expenses)	321,433,073	9,390,019	5,792,666	28,917,706	70,637,613	21,830,265	116,836,135	4,781,177	4,056,040	4,691,934	9,913,160	4,627,486	32,692,302	1,982,627	2,084,627	4,92,25	
V. CLAIM ADJUSTMENT EXPENSES	388,943,002	10,011,206	6,045,838	31,057,163	85,224,377	24,141,163	138,551,034	5,616,431	2,912,849	4,701,031	10,663,858	5,088,942	10,663,858	5,088,942	2,267,452	2,267,452	
VI. ALLOCATED and UNALLOCATED LOSSES and CLAIM EXPENSES	66,633,8121	11,116,108	6,277,363	18,612,450	32,323,191	6,673,191	16,036,827	8,669,855	18,612,450	9,743,443	21,12,764	6,599,143	1,659,936	3,410,387	3,410,387	3,410,387	
III. PRODUCTION EXPENSES	154,559,567	12,308,719	4,130,654	2,367,862	35,98,416	20,903,442	28,73,329	6,938,784	8,038,875	3,470,907	9,318,172	1,269,231	12,23,733	5,199,339	46,03,009	2,094,927	
IV. OTHER EXPENSES	43,007,462	2,102,801	2,102,801	2,102,801	2,102,801	2,102,801	2,102,801	2,102,801	2,102,801	2,102,801	2,102,801	2,102,801	2,102,801	2,102,801	2,102,801	2,102,801	
V. TOTAL PRODUCTION EXPENSES	197,562,229	14,400,265	4,729,163	2,932,163	2,932,163	2,932,163	2,932,163	2,932,163	2,932,163	2,932,163	2,932,163	2,932,163	2,932,163	2,932,163	2,932,163	2,932,163	
VI. OTHER EXPENSES	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	
VII. INSPECTION & BUREAU EXPENSES Incurred	18,551,392	152,80	22,323	49,374	49,374	49,374	49,374	49,374	49,374	49,374	49,374	49,374	49,374	49,374	49,374	49,374	
VIII. TAXES, LICENSES and FEES Incurred	1,202,318	1,202,318	1,202,318	1,202,318	1,202,318	1,202,318	1,202,318	1,202,318	1,202,318	1,202,318	1,202,318	1,202,318	1,202,318	1,202,318	1,202,318	1,202,318	
IX. ALL OTHER	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	1,108,654	
X. SUMMARY	140,538,748	6,938,356	1,315,26	3,421,26	25,234,25	20,12,26	34,11,26	34,11,26	34,11,26	34,11,26	34,11,26	34,11,26	34,11,26	11,78,190	6,415,150	7,998,688	7,998,688
XI. TOTAL EXPENSES Incurred	404,723,897	22,449,785	6,665,842	7,535,875	8,224,455	9,460,390	24,720,217	25,31,384	6,297,499	26,613,283	11,998,279	33,968,511	1,974,474	1,974,474	2,205,727	2,205,727	
XII. EXCLUDING Federal Income Tax	384,445,575	21,170,726	6,773,936	7,393,318	87,178,523	50,589,155	8,472,948	21,44,974	20,30,718	6,219,007	19,730,442	11,997,411	33,001,562	1,973,051	5,665,520	5,665,520	
XIII. LOSSES and EXPENSES Incurred	773,666,893	32,98,931	12,711,380	38,553,038	174,468,932	78,679,074	22,9,312,034	20,325,648	30,998,520	31,577,111	17,085,221	71,388,918	4,236,921	4,236,921	4,670,096	4,670,096	
XIV. Net Gain from Underwriting	175,488,681	31,208,492	1,810,44	38,455,383	172,782,905	75,130,318	22,323,882	27,059,405	23,293,667	11,920,088	30,693,870	17,080,553	71,433,569	4,233,554	6,935,633	8,775,377	
XV. After Federal Income Tax	52,456,684	6,938,701	—1,990	2,107,180	6,244,137	12,74,010	15,521,330	7,632,062	8,529,935	—555,477	6,229,288	3,938,870	3,938,870	4,244,481	4,244,481		
XVI. Prior to Federal Income Tax	52,456,684	6,938,701	—1,990	2,107,180	6,244,137	12,74,010	15,521,330	7,632,062	8,529,935	—555,477	6,229,288	3,938,870	3,938,870	4,244,481	4,244,481		
XVII. Net Gain from Underwriting	384,445,575	21,170,726	6,773,936	7,393,318	87,178,523	50,589,155	8,472,948	21,44,974	20,30,718	6,219,007	19,730,442	11,997,411	33,001,562	1,973,051	5,665,520	5,665,520	
XVIII. Net Gain from Underwriting	384,445,575	21,170,726	6,773,936	7,393,318	87,178,523	50,589,155	8,472,948	21,44,974	20,30,718	6,219,007	19,730,442	11,997,411	33,001,562	1,973,051	5,665,520	5,665,520	
XIX. Net Gain from Underwriting	384,445,575	21,170,726	6,773,936	7,393,318	87,178,523	50,589,155	8,472,948	21,44,974	20,30,718	6,219,007	19,730,442	11,997,411	33,001,562	1,973,051	5,665,520	5,665,520	
XX. Net Gain from Underwriting	384,445,575	21,170,726	6,773,936	7,393,318	87,178,523	50,589,155	8,472,948	21,44,974	20,30,718	6,219,007	19,730,442	11,997,411	33,001,562	1,973,051	5,665,520	5,665,520	
XI. Net Gain from Underwriting	384,445,575	21,170,726	6,773,936	7,393,318	87,178,523	50,589,155	8,472,948	21,44,974	20,30,718	6,219,007	19,730,442	11,997,411	33,001,562	1,973,051	5,665,520	5,665,520	
XII. Net Gain from Underwriting	384,445,575	21,170,726	6,773,936	7,393,318	87,178,523	50,589,155	8,472,948	21,44,974	20,30,718	6,219,007	19,730,442	11,997,411	33,001,562	1,973,051	5,665,520	5,665,520	
XIII. Net Gain from Underwriting	384,445,575	21,170,726	6,773,936	7,393,318	87,178,523	50,589,155	8,472,948	21,44,974	20,30,718	6,219,007	19,730,442	11,997,411	33,001,562	1,973,051	5,665,520	5,665,520	
XIV. Net Gain from Underwriting	384,445,575	21,170,726	6,773,936	7,393,318	87,178,523	50,589,155	8,472,948	21,44,974	20,30,718	6,219,007	19,730,442	11,997,411	33,001,562	1,973,051	5,665,520	5,665,520	
XV. Net Gain from Underwriting	384,445,575	21,170,726	6,773,936	7,393,318	87,178,523	50,589,155	8,472,948	21,44,974	20,30,718	6,219,007	19,730,442	11,997,411	33,001,562	1,973,051	5,665,520	5,665,520	
XVI. Net Gain from Underwriting	384,445,575	21,170,726	6,773,936	7,393,318	87,178,523	50,589,155	8,472,948	21,44,974	20,30,718	6,219,007	19,730,442	11,997,411	33,001,562	1,973,051	5,665,520	5,665,520	
XVII. Net Gain from Underwriting	384,445																

CASUALTY EXPERIENCE EXHIBIT

For Calendar Year 1944

Part I (Cont.)—Ratio of Losses and Expenses Incurred to Earned Premiums											Countrywide Experience of Stock Companies Entered in New York							
Losses and Expenses	Total	Acci- dent	Group Acci. & Health	Auto Liab.	Lia- bility (Not Auto)	Work- men's Comp.	Fidel- ity	Surety	Glass	Bur- glary and Theft	Boiler Machin- ery	Auto P.D.	Auto Collis- ion	P. D. & Coll. (Not Auto)	Credit	Sprin- kler	Mis- cellane- ous	
1. Losses Incurred (Excl. all Claim Expenses).....	44.7	25.9	47.6	76.3	47.2	26.4	57.2	14.8	7.9	45.0	32.0	36.4	57.3	59.3	22.9	—7	35.2	77.2
2. Claim Exp. Incurred (Allocated & Unallocated).....	8.0	2.9	4.9	3.1	10.3	9.4	7.8	7.2	5.7	5.1	4.9	2.9	8.9	7.0	7.4	8.9	2.4	
3. Total.....	52.7	28.8	52.5	79.4	57.5	35.8	65.0	22.0	13.6	50.1	36.9	39.3	70.5	68.2	30.9	6.7	44.1	79.6
4. Commission Incurred.....	18.7	31.7	32.5	6.8	19.9	22.9	11.7	18.4	21.8	23.2	28.8	23.0	21.7	28.9	21.9	18.8	25.5	21.1
5. Other Production Expenses Incurred.....	5.2	5.4	4.6	1.2	5.2	5.3	3.6	11.5	9.5	6.9	7.9	9.1	5.2	3.6	5.2	5.4	9.5	1.9
6. Total.....	23.9	37.1	37.1	7.0	25.1	25.2	15.3	29.9	31.3	40.1	36.7	32.1	26.9	32.5	27.1	24.2	35.0	23.0
7. General Administration.....	9.1	11.1	8.3	5.3	8.3	10.0	7.8	15.1	14.4	10.1	11.0	12.3	8.1	6.5	10.0	11.5	10.4	6.2
8. Inspection & Bureau Expenses.....	2.3	.4	.2	.1	1.4	4.8	.7	1.0	2.0	1.5	34.0	.9	.8	1.4	.5	3.6	.2	
9. Taxes, Licenses and Fees—																		
Federal Income Tax.....	2.4	3.3	—9	.3	1.1	3.9	1.2	8.6	13.5	—2	2.6	—	—1	.6	6.8	18.8	1.7	—2.9
All Other.....	3.2	3.0	2.8	2.7	3.1	3.3	2.2	3.6	3.0	3.2	3.6	4.5	3.0	2.5	3.5	3.2	3.5	
10. Total.....	17.0	17.8	10.4	8.4	13.9	22.0	14.1	28.0	31.9	15.1	18.7	50.8	11.9	10.4	21.7	34.0	19.0	7.0
SUMMARY																		
11. Total Expenses Incurred—																		
Including Federal Income Tax.....	48.9	57.8	52.4	18.5	49.3	59.6	37.2	65.1	68.9	60.3	60.3	85.8	52.0	51.8	55.8	65.6	62.9	32.4
Excluding Federal Income Tax.....	46.5	54.5	53.3	18.2	48.2	55.7	36.0	56.5	55.4	60.5	57.7	85.8	52.1	51.2	49.0	46.8	61.2	35.3
12. Total Losses and Expenses Incurred—																		
Including Federal Income Tax.....	93.6	83.7	100.0	94.8	96.5	86.0	94.4	79.9	76.8	105.3	92.3	122.2	109.3	111.1	79.7	64.9	98.1	109.6
Excluding Federal Income Tax.....	91.2	80.4	100.9	94.5	95.4	82.1	93.2	71.1	63.3	105.5	89.7	122.2	109.4	110.5	72.9	46.1	96.4	112.5
13. Net Gain from Underwriting—																		
After Federal Income Tax.....	6.4	16.3	—	5.2	3.5	14.0	5.6	20.1	23.2	—5.3	7.7	—22.2	—9.3	—11.1	20.3	35.1	1.9	—9.6
Prior to Federal Income Tax.....	8.8	19.6	—9	5.5	4.6	17.9	6.8	28.7	36.7	—3.5	10.3	—22.2	—9.4	—10.5	27.1	53.9	3.6	—12.5
*Miscellaneous includes live stock, non-cancellable accident & health, auto fire, theft and embezzlement. †Minus (—) sign denotes loss. ‡See Note (§) on Underwriting Exhibit.																		

Comparison of Earned Premiums and Underwriting Results for Calendar Years 1940 to 1944 Inclusive*

Line of Business	Premiums Earned (Net as to Reinsurance)					Total	Percentage Increase in Premium Volume*				
	1940	1941	1942	1943	1944		1941	1942	1943	1944	1945
Accident	39,274,971	42,211,072	34,134,928	34,667,241	38,789,732	189,077,944	7.5	...	1.6	11.9	...
Health	29,102,386	38,785,567	10,838,198	10,852,444	12,709,590	102,288,285	33.5	+	.1	17.1	...
Group Accident & Health			21,663,200	29,793,025	40,700,218	92,156,443	...	...	37.5	36.6	...
Auto Liability	176,000,158	192,775,509	207,119,316	176,338,165	186,703,069	932,986,217	9.5	7.4	—14.8	2.4	2.7
Liability other than Auto	75,583,894	77,720,658	83,909,152	88,199,701	91,462,984	416,876,489	2.8	8.0	5.1	3.7	21.6
Workmen's Compensation	132,793,697	162,382,878	206,459,618	242,273,230	242,836,554	986,746,977	22.3	27.1	17.3	3.2	82.9
Fidelity	36,832,332	36,799,476	36,295,048	37,966,339	37,966,710	185,858,905	—1	—1.4	4.6	3.1	...
Surety	42,944,688	47,852,225	56,735,288	48,439,896	36,784,172	232,756,269	11.4	18.6	—14.6	—24.1	—14.3
Glass	9,270,168	9,334,978	9,662,723	9,843,436	10,443,143	48,554,448	—7	3.5	1.9	6.1	12.7
Burglary and Theft	24,062,188	24,962,670	26,487,582	29,016,550	34,206,302	138,735,293	2.7	6.1	9.5	17.9	42.5
Boiler and Machinery	11,650,727	12,460,666	13,928,396	14,126,397	13,974,890	66,141,076	7.0	11.8	1.4	—1.1	19.5
Auto P. D.	49,689,778	54,918,563	62,073,656	61,981,819	65,280,301	293,944,117	10.5	13.0	—2	5.3	31.4
Auto Collision	3,449,470	3,792,250	3,944,305	5,581,814	3,822,447	18,591,286	10.0	4.0	—9.2	6.7	19.8
P. D. & Coll. other than Auto	4,874,191	6,487,534	8,002,761	9,503,454	9,537,681	38,405,621	33.1	23.4	18.8	4.4	95.7
Credit	2,456,711	2,587,894	2,928,114	3,103,368	3,362,250	14,438,337	5.3	13.1	6.0	8.3	35.5
Sprinkler	618,567	645,943	717,611	787,591	891,393	3,671,105	4.4	11.1	11.1	11.8	44.1
Miscellaneous	1,542,331	1,582,943	1,267,492	2,266,740	2,621,897	8,591,402	—42.1	41.9	78.8	15.7	70.0
Total.....	640,146,257	714,612,825	786,167,389	802,800,210	826,093,633	3,769,820,214	11.6	10.0	2.1	2.9	29.6

Per Cent of Net Gain from Underwriting*

Line of Business	After Federal Income Tax*					Total	Prior to Federal Income Tax*				
	1940	1941	1942	1943	1944		1941	1942	1943	1944	Total
Accident	8.7	10.7	11.1	18.3	18.3	12.9	9.1	11.1	13.6	20.2	19.6
Health	—5.0	—1.1	2.6	—2.2	—1.8	—4.9	—1.0	3.3	—2.1	—9	—1.7
Group Accident & Health	...	...	4.7	4.9	5.2	5.0	...	6.2	5.2	5.5	5.6
Auto Liability	5.9	2.0	15.5	10.9	3.5	7.2	6.8	2.6	18.7	14.9	9.6
Liability other than Auto	9.4	10.6	12.4	11.7	14.0	11.7	10.7	12.1	17.3	15.4	14.8
Workmen's Compensation	—8	1.8	1.7	4.3	5.6	3.2	1.2	2.3	2.8	5.3	4.1
Fidelity	20.3	23.4	18.1	22.6	20.1	20.5	23.9	27.4	23.9	31.1	27.4
Surety	21.5	24.8	29.4	33.9	22.2	24.7	26.1	30.5	32.7	49.6	35.1
Glass	—2.6	—3	—4.1	—5.8	—5.3	—3.9	—3.5	—3.6	—5.4	—5.5	—3.7
Burglary and Theft	19.3	19.8	18.1	14.4	7.7	15.3	21.7	22.4	26.1	20.1	19.5
Boiler and Machinery	—3	—6.2	—7.7	—11.7	—9.2	—9.2	—1	—6.2	—2.3	—10.5	—8.8
Auto P. D.	—6.7	—16.6	—2.5	—4	—9.3	—5.7	—6.7	—16.6	4.6	1.7	—5.8
Auto Collision	6.1	—6.6	5.5	10.8	—11.1	—7	8.2	—6.4	10.7	13.4	—10.5
P. D. & Coll. other than Auto	18.0	18.5	18.2	17.4	20.3	18.6	21.0	21.7	26.9	25.0	27.1
Credit	13.5	20.4	24.2	29.2	35.1	25.4	14.5	22.0	39.4	48.7	53.9
Sprinkler	6.7	6.0	—16.6	7.0	1.9	—9	6.8	8.1	—16.7	11.7	2.7
Miscellaneous	—28.0	95.9	—3								

ACCIDENT

Accident-Health Must Keep on Toes

MINNEAPOLIS — Accident and health insurance is prosperous and has some promising years ahead of it but the industry must be on its toes and push into new field of coverages if it is going to maintain its position, it was declared at the sales congress sponsored by the Twin City Accident & Health Club, with about 160 in attendance.

"We were asleep at the switch on hospital insurance," said Paul Clement, secretary, Minnesota Commercial Men's association. He deprecated proposals to standardize coverages, saying this is impossible in the accident and health field and "there should be room for the fellow with new ideas."

Nothing to Apologize For

Mr. Clement traced the development of the business from its small beginning a comparatively few years ago, said it has "come up the hard way" and declared that most of the criticism directed at it is based on misinformation. "Accident and health insurance has nothing to apologize for," he said.

Bert Odell, vice-president North American Life & Casualty, stressed the need of organizing to combat harmful legislation. He mentioned some of the bills that have been presented, describing them as "loosely drawn." "That is the type of legislation that we may expect to face here and in other states and we must be on guard against it," he warned.

Prepare for Conversion Period

Harold R. Gordon, managing director Health & Accident Underwriters Conference, advised agents to prepare for the conversion period that has already arrived and listed six factors that will affect the business during this period: (1) Conversion from war to peace basis in factories; (2) shifting of the scope of prospecting and wage changes; (3) eligibility of war veterans for accident and health coverage makes an underwriting problem; (4) small group business to offer profitable field; (5) industry bound to have some sort of regulation, and (6) threat of state or federal health insurance. On the latter point, he told of legislation now being drafted by the industry itself which would provide a degree of regulation, yet permit the business to progress.

The necessity and value of organization, local, state, regional and national, was stressed by Clarence A. Sholl, president National Association of Accident & Health Underwriters. He listed as the objectives of the National association: To put the business on the highest possible plane; educate the public on value of accident and health insurance; promote safety and health and maintain ethical standards in the business.

Advantages Over Other Business

M. F. Houston, Washington National, Kansas City, spoke on personal security for the agent and his family through accident and health and life sales. He stressed the advantage the agent writing personal insurance has over men in other lines of business, especially in the mercantile field and cited figures as to the low income and high mortality in retail businesses.

A round table discussion of accident and health problems was conducted by Archie A. Altermatt of Monarch Life. Eight prominent Twin Cities accident and health men gave their views on prospecting, attitude, approach, presentation, meeting objections, getting appli-



H. E. Thompson

cations, closing a sale and handling claims. They included Martin Imms, St. Paul Hospital & Life; Norman Hare, Reliance Life; A. Herbert Nelson, Business Men's Assurance; Larry Linder, Washington National; M. C. Laughman, E. J. Le Clair and Bert Odell, North American Life & Casualty, and Adam Brown, Great Northern Life.

Harvey E. Thompson, Washington National, president of the Twin City club, presided at the congress.

Settle Wisconsin Dispute

MADISON, WIS.—The Wisconsin and Milwaukee county medical societies

have settled their differences and the bill providing for a state medical care plan has been amended to except Milwaukee county. The state society plan will be operated through the Associated Hospital Service, Blue Cross plan, if the bill is passed, while the Milwaukee society will continue to expand its present surgical care plan.

chasing insurance from unlicensed companies. He issued a similar warning a year ago, but the number of inquiries being received by the department indicates a renewed activity on the part of these companies.

Family Cover Featured

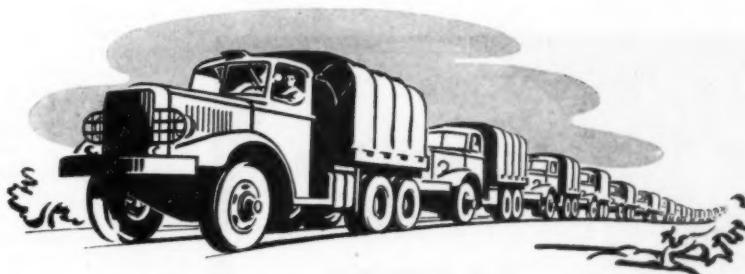
Most of the coverages being offered, Commissioner Allyn states, purport to be of the group variety offering insurance to all members of a family together with relatives, in-laws, etc. The concerns now most active are in the accident and health field, and offer coverages for an annual premium as low as

Allyn Warns Conn. Residents Against Unlicensed Insurers

Commissioner Allyn of Connecticut has issued a release to newspapers of the state warning residents against pur-

MORE THAN INDEMNITY— The Insurance Industry Serves The Community

"Thanks, T. M. 21-300!"



A N ARMY CONVOY moves cautiously toward the western front. Through the black of the Belgian night, each driver sits tensely at the wheel of his truck, his eyes straining to follow the hulking form of the unlighted truck ahead.

Subconsciously, each driver reflects the thorough period of training in just such motor vehicle operation which had been drilled into him back in the States: How to drive without lights; how to maintain proper distances under varying conditions; what to do under attack; what precautions to take against fire; and how to use the fire-fighting equipment should the need arise. His own safety, as well as that of his cargo, depends largely upon that training.

For as far back as 1942 the Army decided that "only fools take risks needlessly", and requested the educators on the staff of the National Conservation Bureau, as specialists in accident prevention and driver training, to assist in developing a training manual for motor vehicle operation. Thanks to this manual, "T. M. 21-300", machines and their loads are given a better chance to get through on time, and with the minimum of risk to the men involved in this perilous task.

Again the National Conservation Bureau, a unit of the Casualty Insurance Industry, has rendered another of those little-known public services for greater safety... even in a distant theatre of war.

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\$10. Even a phoney safety driving award is thrown in free by one of these concerns, he states.

The policies offered are extremely limited, he adds. They do not protect against ordinary hazards. The companies advertise they pay no agent's commission and that this saving is passed on to policyholders, but the truth is, Mr. Allyn points out, that if agents did represent them they would promptly be arrested. The expenses of one such company, usually in the form of salaries, amounted to \$630,015 out of a total premium income of \$850,219 and claims paid were only \$121,544 last year. He cited other similar figures.

A resident of Connecticut is at the mercy of a company that is unlicensed because he must go to some other state having legal jurisdiction in order to get a satisfactory settlement. Licensed companies do business at a price that allows a small profit on a volume of business and enables the companies to pay promptly all just claims, Mr. Allyn states.

Illinois Mutual Casualty Agents Honor McCord

PEORIA, ILL.—Exceeding their premium volume goal by 45%, agents

of Illinois Mutual Casualty set a new monthly record by writing 1,283 applications with a first premium volume of \$17,397 in their April drive honoring President E. A. McCord. The leading agency produced 92 applications, 184 agents producing business in the campaign. The high agent in premium volume produced \$1,635 in first premiums.

Hospital Parley at Columbus

The regional conference of directors and administrative heads of Blue Cross group hospital care plans in the midwest is being held at Columbus, O., May 17-18. About 40 will attend. Speakers include Dr. C. Rufus Rorem, director of the Hospital Service Plan Commission, Chicago.

Speakers from outside the area will include Guy W. Spring, Indianapolis; Lawrence W. Rember, Chicago; Edward Cunningham, Boston, and Harold Lichty, Detroit.

Organize in Cedar Rapids

An association of accident and health underwriters has been organized in Cedar Rapids, Ia. The permanent officers are: President, Arthur H. Adams, general agent Occidental Life of California; vice-president, Paul C. McCoy, manager Paul C. McCoy & Co.; secretary-treasurer, Leo Holmes, Connecticut General Life.

The executive board is composed of Verdi F. Lenzen, Mutual Benefit Health & Accident; Wyatt E. Maupin, Business Men's Assurance; Paul S. Kohl, General American Life; Ray T. Moore, Continental Assurance; Lee Winterberg, Travelers, and Dick Carne, Inter-State Business Men's.

Cornett Is Seattle Speaker

W. B. Cornett, vice-president of Loyal Protective Life, spoke at the May 10 luncheon meeting of the Seattle Accident & Health Managers Club.

The Accident & Health Insurance Managers Club at San Francisco held an informal luncheon Monday to discuss mutual problems with Mr. Cornett.

Meacham Is K. C. President

The Kansas City Association of Accident & Health Underwriters has advanced S. A. Meacham, general agent of Federal Life, who has been vice-president, to president to succeed Charles P. Gish, Aetna Life, who resigned to become assistant agency director of Guarantee Mutual Life of Omaha. Miss Euclid W. Mecaskey, Connecticut General Life, was elected vice-president. Chris L. Hobbs, Washington National, continues as secretary-treasurer.

A discussion on trends in accident and health insurance and what effect group insurance is having on the sales of individual accident and health and hospital policies led by R. J. Costigan, Business Men's Assurance and Carl Damon of the Lysle Kindig office was held.

Los Angeles Managers' Outing

LOS ANGELES—The Accident & Health Managers Club of Los Angeles held its annual outing May 10. Charles E. Olsen, Automobile Club of Southern California; Elmer Williams, Aetna Casualty, and E. E. Hanson, Automobile Club, were golf winners.

COMPENSATION

Minn. Buyers to Fight 7.4% Compensation Rate Increase

MINNEAPOLIS—A fight on the proposed overall increase of 7.4% in Minnesota compensation rates to cover the cost of increased benefits under a new state law will probably develop at the hearing before the Minnesota compensation insurance board May 28.

At its May meeting the Insurance Buyers Association of Minnesota devoted considerable time to consideration of the proposed increase, the sentiment being that it will penalize the good risks and favor the poor ones. Members were urged to compile data to show how the 7.4% increase would affect their business and this data will be summarized for presentation at the hearing.

While the buyers realize that the increased benefits under the new law warrant some increase in rates, they feel that 7.4% is too much and will try to have it trimmed.

The buyers are also negotiating with the National Bureau of Casualty & Surety Underwriters to get a change in the policies which will give compensation coverage to minors. The buyers' association sponsored a bill passed by the last legislature which provides that minors illegally employed are covered by compensation insurance. The companies are sympathetic but before granting coverage to minors they want to find out what their liability would be under common law. They fear they might be subject to suit by the guardian of a minor after compensation had once been paid.

Physical Examination Bill

WASHINGTON—Representative Weiss has introduced HR 3120 to pre-

vent discrimination against veterans by use of physical examinations to disqualify them for their old jobs. The bill would require the employer to restore the veteran to his former position or one of like seniority, status and pay, unless the employer's circumstances have so changed as to make it impossible or unreasonable, providing the veteran is still able to perform the duties of his position. The physical examination would only determine whether the veteran has use of members and faculties to the extent necessary to perform his job. He must make application for reemployment within six months after leaving the service.

Big Utah Mine Explosion Loss

SUNNYSIDE, UTAH—A gas explosion in the Utah Fuel Co. coal mine here killed 23 miners, injured at least seven others, with two missing. An investigation is being made by company experts, the state industrial commission and U. S. Bureau of Mines. It is considered probable it was caused by a miner striking a match. Matches and cigarettes are reported to have been found in the clothing of some of the victims.

The Utah Fuel Company is a self-insurer under the state's compensation act, but losses over \$25,000 are reinsured with Great American Indemnity.

New Washington Classification

SEATTLE—A separate classification of hazardous occupations in charitable and non-profit institutions must be set up by the department of labor and industries in administering the new amendment to the monopolistic Washington workmen's compensation act which brings workers in these institutions under the act. No provision was made to set up the class, but the attorney-general's office held the director had the implied power to set up the class and ask for premium contributions from the various institutions affected.

Urge Driver Education

COLUMBIA, S. C.—The value of teaching driver education in high schools was stressed today by T. N. Boate, special service division director of the National Conservation Bureau of the Association of Casualty & Surety Executives, in a lecture to the training school of the South Carolina Highway Patrol. He pointed out that driver education is an aid to law enforcement and establishes a sound medium for reduction of highway accidents. The work of the National Conservation Bureau in promoting driver training programs was explained.

ASSOCIATIONS

Chicago Group Hears Engineer

At a dinner meeting of the Casualty Engineers Association of Chicago, R. O. Bradley, maintenance engineer of the Du Pont Company, showed a motion picture demonstrating the importance of color in reducing accidents.

Attorney Los Angeles Speaker

LOS ANGELES—Fred Forgy, Santa Ana attorney, speaking before the Casualty Insurance Adjusters Association,

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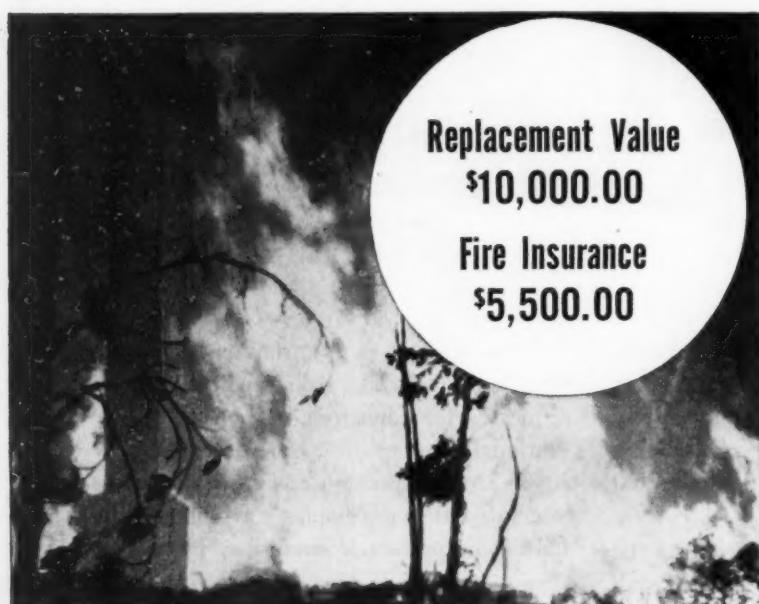
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touched on the tendency of the courts to assume a liberal attitude toward plaintiffs in personal injury cases. He said old citations of cases do not have the weight in court they formerly had and that some judges do not want citations more than five years old. On the liability of automobile owners where the driver of a borrowed car went beyond the limits of his permission, implied or direct, he said that even if the permission were exceeded the owner of the car still is liable.

N. J. Annual Meeting June 6

NEWARK—At a meeting of the Casualty Underwriters Association of New Jersey here, Monday, it was announced that the annual meeting and dinner of the association will be held at the Crestmont Golf Club, West Orange, June 6.

CHANGES

Allstate Advances Goodwin and McLaughlin

Allstate has announced a change in its organization plan, looking toward post-war developments. The position of resident manager has been established, and W. Dale McLaughlin has been appointed to that post in charge of the



A. E. Goodwin W. D. McLaughlin

New York branch. Arthur E. Goodwin is appointed resident manager of the Pennsylvania branch.

For several years Allstate has operated under a partial branch office setup with sales supervision handled separately. President Calvin Fentress states that the present growth and the post-war potential can better be served by a completely autonomous branch office organization, and that the new post of resident manager will place a well-rounded executive in charge of all functions for each branch. Allstate is now operating through eight branch offices and several additional branches will be opened in the near future.

Mr. McLaughlin is a native of Iowa. He was in general research for a year;

AGENCY MANAGER WANTED

Experienced general insurance man between the age of 25 and 40 years, capable of building up and managing a local insurance agency at Chattanooga, Tennessee, writing all lines of insurance. Salary and commission as well as interest in the business if manager successful and satisfactory. State experience, former or present connections. Must be willing to actively solicit business. Address B-65, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

WOMAN OFFICE MANAGER WANTED
Agency doing approximately \$500,000 premium volume, with ten to fifteen clerical employees, wants office manager and Casualty Underwriter. Located in town of 40,000 in middle-west. State age, experience and salary expected. All applications will be considered confidential. Address B-69, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

newspaper advertising and merchandising for 14 years, including two years with J. P. McKinney & Sons (Gannett Newspapers) and two years with the Poughkeepsie (N. Y.) Newspapers. In 1942 he entered the life and accident field with Connecticut General, leaving it to join Allstate in the summer of 1944.

Mr. Goodwin began business life with a wholesale and retail grocery chain in western Montana. Finally in charge of accounting and auditing, Mr. Goodwin went to Seattle and took a post in the comptroller's department of United National Corporation. At the end of a year, he was appointed treasurer of United Pacific, a United National subsidiary. In 1938 Mr. Goodwin was appointed vice-president of United Pacific in charge of California operations. He left that post in 1942 to join Allstate.

American Indemnity to Open Minn. Branch Office June 1

American Indemnity will open a Minnesota branch office June 1 in the Baker building, Minneapolis, with J. E. Murphy as manager.

Mr. Murphy has been a sales executive for the past seven years of Hardware Mutual and Hardware Indemnity of Minneapolis.

The new office will be equipped to give complete service to agents in the Twin City area. American Indemnity is licensed in Minnesota to write full coverage automobile, burglary, glass, general liability and fidelity and surety bonds.

Draper Returns from Service; Brewer to Oklahoma City

G. W. Draper has returned to his position as special agent for National Surety at Akron, after spending 11 months in the army. W. F. Brewer, who during his absence acted as special agent, has been transferred to the Oklahoma City office.

Peschel Succeeds Hartman

Joseph Peschel, a field man in the Newark branch of Maryland Casualty, has succeeded Willard Hartman, casualty manager, who has been called to the home office as assistant manager of the automobile department.

Franz and Youngen Advance

Two casualty and surety field assistants of Travelers have been appointed assistant managers, Norman G. Franz at Milwaukee and Clifton B. Youngen at Cleveland.

Simpson Leaves Truck Exchange

Sam A. Simpson, who has been vice-president and manager of Truck Insurance Exchange of Los Angeles, has resigned. It is understood he will continue in the insurance business in another capacity.

Thomason Joins U. S. F. & G.

William H. Thomason has joined the southern California branch office of the U. S. F. & G. in Los Angeles as city supervisor. He previously had been with Massachusetts Bonding in Washington, D. C.

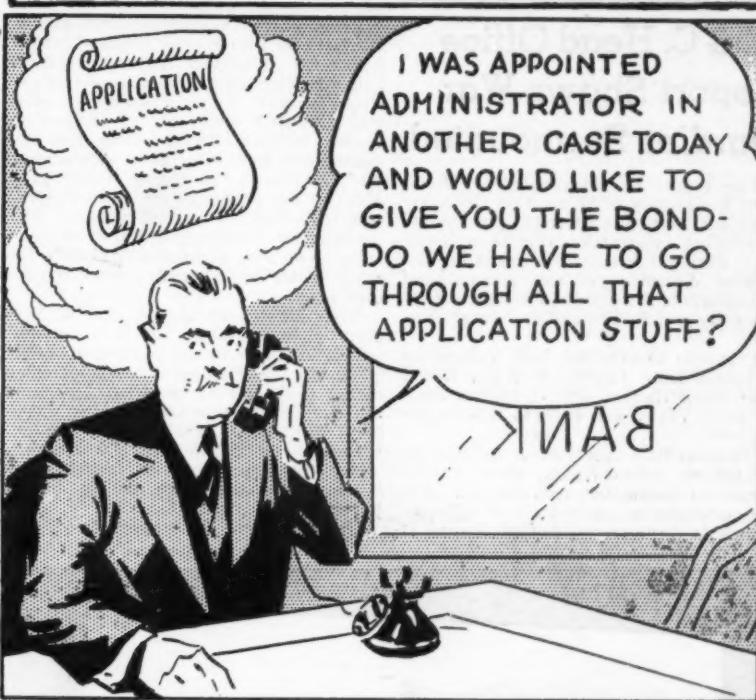
McDermott Shifted to Cleveland

J. C. McDermott, in charge of the Columbus office of Michigan Mutual Liability for several years, has been transferred to Cleveland as district supervisor.

American Casualty has appointed George P. Moseley to the staff of its Philadelphia office. He was formerly with Globe Indemnity and National Surety. He has had 30 years experience in the business. He will handle burglary and miscellaneous coverages.

Want direct-mail sales aids in accident and health? Write The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.

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COMPANIES

A. & C. Head Office Report Shows War Hurdles Surmounted

The report to stockholders of Accident & Casualty of Winterthur, Switzerland, for 1944, just received, gives some interesting information regarding insurance during the war. Considering the present difficulties of any international organization, the results of both casualty company and its life affiliate are gratifying.

Premium income for both companies increased from 113,700,000 Swiss francs (the Swiss franc is quoted at 23.3 cents at New York) for 1943 to 120,700,000 for 1944.

Underwriting reserves, amounting to 426,100,000 Swiss francs, show an increase of 35,000,000; investments, bank and cash an increase from 422,700,000 francs in 1943 to 480,400,000 francs at

the end of 1944. Valuation of these investments takes into full consideration conditions prevailing in the countries where they are located.

Revenue from investments (dividends, interest, etc.) increased from 16,072,000 francs to 16,820,000 francs, despite a general reduction of the rate of interest. Profit for 1944 for the casualty company was 4,486,000 Swiss francs against 4,415,000 in 1943. Profit of the life subsidiary was 2,401,000 francs compared to 2,247,000 francs in the previous year. Most of the profits on life policies were paid to policyholders as dividends.

Generally speaking, underwriting results have been satisfactory, despite the many disturbances created by war conditions.

Difficulties were experienced in handling claims on burglary and accident policies, because of the war and sabotage exclusions in European policies, which made it difficult at times to determine the exact facts necessary for the settlement of claims. Difficulty also was experienced in settling liability losses, which, in countries with inflated currencies and rising prices are in proportion to the premiums.

Great concern is expressed for the

future of the automobile business, as the diminution of traffic and in some countries the almost complete disappearance of civilian traffic has created careless habits in pedestrians. However, police authorities, automobile clubs and insurance companies are preparing to deal with this problem.

Results of business from occupied countries were at times very difficult to obtain as the companies are confronted with conditions such as existed in Holland, where the local office located at Amsterdam was in the center of a German pocket.

Accident & Casualty group is prepared to resume its worldwide activities as soon as economic life is rehabilitated and established in the liberated countries. If the experience in Spain, after the civil war, can be used as an example for the recovery potentialities of insurance, the future need not be contemplated with too much pessimism. Also, nationalization tendencies seem to quiet down as many other urgent problems require the attention of the new governments of Europe. Social insurance, undoubtedly, will be developed, but if maintained within reasonable limits such expansion need not be feared by progressive companies with an efficient agency force.

The Swiss companies do not show surplus as it is known in this country. The exact excess of assets over liabilities cannot be determined, as the liabilities are all earmarked as reserves. A. & C. for instance, puts up as premium reserve 200% of premiums written and as loss reserve 100% of premiums. The Swiss government accepts the insurers' own reserve estimates for income tax calculation.

suddenly in Canada while on a fishing trip. He had been with the company many years.

Report of OASI Fund Trustees

The annual report of the board of trustees of the federal old age and survivors insurance fund, which has been transmitted to Congress, estimates that under the social security act 3 1/2 million aged persons and 1 1/2 million children and widowed mothers will be receiving monthly old age and survivors insurance benefit by 1960. As of June 30, 1943, 676,303 persons were receiving such benefits.

As of June, 1943, the fund had earned \$256,900,000 interest and total assets, invested in federal bonds, were \$4,268,300,000. The fund gets its money from contributions by workers and employers, interest on investments which are restricted to interest bearing obligations of the U.S. government or to obligations guaranteed as to both principal and the interest by the U.S., and from appropriations out of general revenues as may be required.

\$180 Million Per Year Now

Present benefit payments approximate \$180 million per year, and the report states that in several decades disbursements will increase 25 to 30 times. Assets have increased sharply due to wartime employment, and benefit payments have been less than expected because of the thousands over 65 remaining on the job.

The trend will be toward higher payments and toward a lower level of employment, the report states, and it goes on to urge that present contribution rates be increased in the interest of the long run welfare of the system. The rate has been maintained by Congress at 1% each on employee and employer for seven years instead of permitting scheduled increases to become effective under the act. The report estimates that the level of premium cost of benefits now provided by the system is between 4 and 7% of the covered payroll, so that if payroll taxes had been levied from the beginning at this rate and were continued indefinitely the system as a whole would be just self supporting.

The trust fund, established Jan. 1, 1940 under the social security act, is administered by three trustees, each serving in an ex officio capacity, the Secretary of Treasury, Secretary of Labor, and chairman of the Social Security Board. The Secretary of the Treasury is managing trustee.

Northern Mutual Casualty Ohio Citation Dismissed

The citation of the Ohio department against Northern Mutual Casualty of Chicago has been dismissed. The main matter at issue was the management contract, which contract Northern Mutual Casualty has now abandoned. Superintendent Dressel ruled that upon filing satisfactory evidence of the cancellation of that contract, the citation would be dismissed. That evidence has now been filed with the department.

Addresses Auto Fleet Men

Sound planning to prevent accidents is beneficial to the public both from the humanitarian and economic points of view, Thomas N. Boate, special service director of the National Conservation Bureau, accident prevention division of the Association of Casualty & Surety Executives, told a group of automotive fleet supervisors at Buffalo, N. Y.

Mr. Boate spoke at the request of the vocational training division of the New York state department of education, which was conducting a one-week course in safety training for automotive fleet supervisors throughout the state. He discussed street and highway safety and its relation to casualty insurance rates.



PIONEERING is a task that calls for determination and courage and leadership. Its reward is in seeing a new idea become an accepted and established practice. Pacific Employers has pioneered various Casualty coverages, and has witnessed yesterday's innovation become today's method. This pioneering has, in turn, enabled our producers to be first in new business fields — an example of what we mean by

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PROPERTY DAMAGE

UNDERGROUND PROPERTY DAMAGE

Accident and Health Advertising Must Be Improved; Faces Regulation

An improvement in accident and health insurance advertising, which would be one of the most effective ways of reducing claim complaints, is essential, and some form of regulation of such advertising is inevitable, Harold R. Gordon, managing director of the Health & Accident Underwriters Conference, told the Chicago Claim Association at its annual meeting Tuesday night. He said that a joint committee representing all of the accident and health organizations is now endeavoring to work out some suggested legislation along that line and predicted that if the business itself doesn't provide such regulation the Federal Trade Commission will do so after the moratorium period set up by Congress.

Other things that would help reduce complaints would be for the agent to give the policyholder a better understanding of policy coverage at the time of sale—misunderstandings along that line being by far the most prolific cause of complaints—doing a better job in building policies and showing more sympathy with the claimant on trivial points.

Complaints to Departments

Mr. Gordon's topic was "Fallacies of Claim Complaints" dealing especially with those submitted to the insurance departments. The first point he mentioned was the statement often made by department officials that accident and health produces more complaints than all other lines put together. He said a distinction should be made between inquiries and complaints and that even if the statement is true there is a reason for it in the higher incidence of claims under accident and health policies. There is one claim each year for every six or seven policies in force while in life insurance, considering death claims only, there is only one in 60. There are 113 accidents for every fire and three sicknesses to every accident, which indicates what the incidence would be as compared with fire insurance. However, the survey made in nine states at the instance of the insurance commissioners indicates that there are only 12 complaints for each 10,000 claims filed.

Fine Print, Trick Clauses

Then there is the criticism of "fine print and trick clauses." The laws of practically all the states prescribe the type to be used, usually 10 or 12-point and Mr. Gordon said there is no comparison in that respect with fire or automobile policies.

There are some policy provisions, not properly described as "trick," which have caused trouble and misunderstanding, particularly the ones regarding prior illness and house confinement for illness. On the latter point, Mr. Gordon said he hopes eventually it will be possible to devise some other measurement for loss and do away with that clause.

Consider Rulings Cure-All

Some insurance departments have the mistaken idea that they can do away with complaints by promulgating rulings. In nine cases out of 10, the restrictions imposed, supposedly for the protection of policyholders, really take something away from them.

EXCELLENT OPPORTUNITY

Future for ambitious man with home office accounting and statistical training with Mid-West Casualty Company. Advise background and experience. Replies confidential. Address Box B-71, c/o The National Underwriter Company, 175 W. Jackson Blvd., Chicago 4, Illinois.

WILL BUY AGENCY OR PARTNERSHIP
Experienced and capable casualty man (age 43) will make substantial investment in well established General Agency. Address Box B-75, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Still another fallacy has been that if the companies were paying back more to their policyholders there would be no more complaints. Mr. Gordon pointed out that the claim ratio in accident and health is the second highest of any line, being exceeded only by compensation. Accident and health claims vary in direct proportion to the employment situation. In a period of high employment and low claim ratio it is necessary to set up reserves for the period of higher claims.

Rhode Island Experience Cited

He said there is always someone who wants to get something for nothing and cited the experience in Rhode Island under the cash sickness fund plan. It will never be possible to eliminate claim complaints entirely but every effort should be made to minimize them.

The Claim Association elected the slate of officers previously announced, headed by Gilbert T. Delahunt, Allstate Life, as president, and adopted a revised constitution and by-laws. It was announced that the annual party will be held June 12.

Exhibit of National Bureau Shows 1944 Experience

(CONTINUED FROM PAGE 23)

company executives generally a year ago, an underwriting loss developed, amounting to 9.4% prior to federal income taxes. Since the cost of replacements may be expected to mount still further before relief is afforded through a swing to new production, there is every likelihood that the adverse conditions on this line will continue through 1945.

This automobile P. D. loss coupled with an underwriting loss of 10.5% on automobile collision almost offsets the underwriting gain from the B. I. line, the combined underwriting gain for the three lines being 0.7% prior to federal income taxes. This combined result becomes an underwriting loss after reflection of the federal income taxes incurred by those carriers reporting such taxes.

\$6 Million W. C. Drop

Workmen's compensation premiums for 1944 totaled \$242,296,908, a drop of about \$6,000,000 from 1943. The underwriting profit was 6.8%, somewhat higher than the 5.3% shown the previous year. The bureau calls attention to the fact that a large proportion of the business is on war projects on which loss reports are slow in development. Further, the earned premiums reflect only partially the many rate reductions made effective in 1943 and 1944. The effect of the many large risks arising in connection with the war effort is shown by the comparatively low expense ratios, supporting the position the stock carriers have assumed relative to the necessity for a program of graded expense in order to reflect equitably the cost of handling the large risks.

Fidelity, Surety Decreases

Both fidelity and surety showed decreases in premium volume. The total for fidelity was \$38,762,067 compared with \$39,057,904 in 1943 and for surety \$33,816,557 against \$37,657,381 the year before. The underwriting gain reported for both lines decreased from the preceding year, the 1944 figure being 28.7% for fidelity and 36.7% for surety prior to federal income tax. The underwriting gain after federal income tax was considerably lower, 20.1% for fidelity, 23.2% for surety. If the allocation of federal income taxes for all carriers were

available, the underwriting gains would be still lower. These results reflect an extremely abnormal condition that is expected to correct itself before the time limit has expired for discovering losses under policies currently in force.

Glass Still Shows Loss

Although the glass volume increased slightly, \$11,255,230 compared with \$10,309,027 in 1943, the line developed an underwriting loss for the sixth consecutive year and for the eighth year out of the past nine. The underwriting loss prior to federal income tax was 5.5% compared with 5.4% for 1943.

The burglary premiums of \$39,746,195 showed approximately a 20% increase over 1943, the largest volume ever developed. The increase is due in large measure to the rapid development of business written under the money and securities broad form policy and to the increase in the sale of residence insurance following the broadening of the residence policy in 1943. There is evidence that an increase in the proportion of three-year business is another contributing factor. The underwriting profit prior to federal income taxes was 10.3%, substantially lower than in recent years. According to statements by company

underwriters this reduction in the underwriting profit is largely attributable to mounting loss ratios on the residence and the money and securities broad form business. The 1944 results do not reflect in any degree the widespread reductions in rate level made effective on various burglary lines early in 1945.

Boiler and Machinery Lines

Net premiums for the boiler and machinery lines amounted to \$16,160,314 compared to \$17,899,390 in 1943. The high figure in 1943 was attributable to a very extensive rewriting of policies to take advantage of the low rates available in that year. This situation extended down to Aug. 1, 1944, the effective date of the new manuals. The extent of the rewriting is indicated by the fact that the earned premiums in both years were approximately \$14,000,000. It was generally recognized that the rate level effective up to Aug. 1, 1944, was inadequate and this fact is reflected in an underwriting loss prior to federal income taxes amounting to 22.2% in 1944 as compared with 10.6% in 1943. Since such a large proportion of the business has been rewritten for a four-year term, a continued underwriting loss may as likely be for two or three years.

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—Bituminous Protection Pays

Through the fair and equitable settlement of claims.

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ASSETS OVER \$13,000,000

COVERAGES: Workmen's Compensation, Comprehensive Liability, Public Liability, Elevator Liability, Property Damage, Automobile Liability and Comprehensive Personal Liability.

Comparison of Production Costs for Calendar Years 1940 to 1944 Inclusive

(CONTINUED FROM PAGE 26)
Ratio to Premiums Written—Direct Business

Line of Business	Commissions Incurred				Other Production Expenses	Incurred	1944	1940	1941	1942	1943	Total Production	Expense	Incurred	1944	
	1940	1941	1942	1943												
Accident	28.8%	28.0%	30.4%	30.4%	30.8%	5.0%	4.9%	5.5%	5.0%	4.9%	4.9%	33.8%	32.9%	35.9%	35.4%	35.7%
Health	16.3	13.5	30.9	31.1	31.4	2.1	1.9	4.2	4.3	4.4	18.4	15.4	35.1	35.4	35.8	35.8
Group Acci. & Health	...	6.8	6.5	5.5	...	...	1.7	1.4	1.1	...	...	...	8.5	7.9	6.6	6.6
Automobile Liability	19.5	19.4	19.5	20.2	19.5	4.6	4.5	4.5	4.9	4.9	24.1	23.9	24.0	25.1	24.4	24.4
Liability (Not Auto)	20.7	21.0	20.2	20.7	21.4	4.9	4.7	4.5	4.7	4.8	25.6	25.7	24.7	26.4	26.2	26.2
Workmen's Comp	13.4	12.9	10.9	10.8	11.7	4.4	4.0	3.4	3.4	3.5	17.8	16.9	14.3	14.2	15.2	15.2
Fidelity	19.6	19.7	19.6	19.5	19.4	9.4	9.2	8.9	9.8	10.0	29.0	28.9	28.5	29.3	29.4	29.4
Surety	25.6	25.0	24.6	23.9	24.8	8.6	8.4	7.9	9.5	9.8	34.2	33.4	32.5	33.4	34.6	34.6
Glass	30.9	30.7	30.5	31.2	30.8	6.6	6.3	6.2	6.4	6.4	37.5	37.0	36.7	37.6	37.2	37.2
Burglary and Theft	25.8	25.9	25.8	26.8	25.7	6.6	6.4	6.3	6.5	6.4	32.4	32.3	32.1	32.3	32.1	32.1
Boiler and Machinery	21.7	21.6	20.4	20.4	20.3	7.3	6.8	6.8	6.7	7.1	29.0	27.9	27.2	27.1	27.4	27.4
Automobile P. D.	21.2	21.0	21.0	21.9	21.1	4.7	4.5	4.7	5.2	5.0	25.9	25.5	25.7	27.1	26.1	26.1
Automobile Collision	22.2	22.0	23.2	24.2	23.3	4.9	5.1	5.9	4.7	4.8	28.1	28.1	29.1	29.0	27.6	27.6
Other P. D. & Coll.	20.6	20.1	19.4	18.9	20.4	4.9	4.3	4.4	4.3	4.4	25.5	24.4	23.8	23.2	24.8	24.8
Credit	23.6	23.4	23.8	23.7	23.7	5.2	4.7	3.5	3.9	3.9	28.8	28.1	27.3	27.8	27.6	27.6
Sprinkler	22.4	22.5	22.5	21.5	22.6	8.0	7.7	7.4	8.1	8.0	30.4	30.2	29.9	29.6	30.6	30.6
Miscellaneous	10.2	12.4	12.4	18.8	20.4	1.9	1.8	2.0	1.4	1.6	12.1	14.2	14.4	20.2	22.0	22.0
Total	19.9	19.3	18.4	18.2	18.4	5.2	5.0	4.8	4.9	4.9	25.1	24.3	23.2	23.1	23.3	23.3

Part II—Production Cost on Direct Business

Line of Business	Net Premiums Written on Direct Business		Other Production Expenses	Total Production Expenses	Ratio to Premiums Written
	Written on Direct	Business	Incurred	Incurred	Other
Accident	\$ 42,671,621	\$ 13,124,424	\$ 2,097,464	\$ 15,221,888	30.8%
Health	13,349,657	4,186,178	589,686	4,775,864	31.4
Group Accident & Health	43,198,160	2,359,515	471,062	2,830,567	5.5
Automobile Liability	191,340,202	37,250,373	9,390,162	46,640,535	19.5
Liability other Than Auto.	101,988,979	21,888,018	4,879,318	26,767,336	21.4
Workmen's Compensation	247,099,716	28,772,275	8,703,490	37,475,765	11.7
Fidelity	44,351,049	8,618,139	4,442,925	13,061,064	19.4
Surety	36,483,971	9,054,880	3,568,389	12,623,269	24.8
Glass	11,289,216	3,481,030	719,541	4,200,571	30.8
Burglary and Theft	42,270,877	10,902,869	2,719,497	13,622,366	25.7
Boiler and Machinery	17,958,910	3,651,096	1,279,533	4,930,629	20.3
Automobile P. D.	67,954,965	14,270,593	3,403,849	17,774,442	21.1
Automobile Collision	2,869,137	667,866	124,873	792,739	23.3
P. D. & Coll. Other Than Auto.	11,325,765	2,313,233	501,306	2,814,539	20.4
Credit	4,631,871	1,098,268	180,926	1,279,194	23.7
Sprinkler	1,049,311	236,938	84,504	321,442	22.6
Miscellaneous	3,177,175	648,999	51,445	700,444	20.4
Total	\$ 883,110,582	\$ 162,624,694	\$ 42,207,960	\$ 205,832,654	18.4

Life Group's S. S. Report Doesn't Suit U. S. Chamber

WASHINGTON — Commenting on the Social Security joint report of committees of the American Life Convention, Life Insurance Association of America and National Association of Life Underwriters, the U. S. Chamber of Commerce says that "the report, while indicating a considerable advance in the thinking of the insurance groups, shows

signs of divisive opinion and uncertainty as to the proper role of government in this field in amplification of this statement."

The chamber says that "whatever the outcome" of the house ways and means committee social security study may be, "it is to be hoped that some clarification of the method of financing old-age and survivors insurance will be forthcoming and that we can avoid the annual controversy over the freeze for some years to come."

Raise M. & S. Commissions to Burglary Level

NEW YORK—The Casualty & Surety Acquisition Cost Conference has moved to put the broad form money and securities policy in the regular burglary classification as respects production and commission costs. This brings the total field acquisition cost from 20% up to 30%. The action's scope is countrywide,

though some companies have already been paying the regular burglary rate outside of New York. The conference's action is subject to veto by the New York department but there is no indication of any opposition.

The proper level of commissions for the broad form money and securities policy has been extensively debated. In its early form it was considered to be analogous to the bankers' blanket bond and the outside commission was set at 15%. In 1941, when the all-risk features were added, the rate was raised to 20%. Producers, however, have been dissatisfied because it frequently turned out when they advised an assured to switch to the all-risk basis the commission was lower even though the premium was increased.

Bill to Reduce SS Age Limit

Representative Weiss has introduced a bill in the house to provide for reducing eligible age from 65 to 60 under the provisions of the federal old age and survivors insurance benefits.

J. E. Stonecipher, head of the senior high schools in Des Moines, spoke before the Des Moines Casualty & Surety Club on post-war planning.



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Reinsurance - Excess Covers Fire, Casualty and Surety

H. C. Pre Am

H. G. Kemper Now President of L.M.C. American Motorists

Hathaway G. Kemper, formerly executive vice-president and secretary of Lumbermen's Mutual Casualty and American Motorists, has been elected president of those companies, according to announcement of his brother, James S. Kemper, chairman and general manager of Kemper group insurance companies. J. S. Kemper is relinquishing the



H. G. KEMPER

office of president of these two companies.

H. G. Kemper has been associated with the organization since 1912. He is also vice-president of National Retailers Mutual and Federal Mutual Fire and is a former president of National Association of Automotive Mutual Insurance Companies.

John A. Arnold, formerly vice-president and underwriting manager of Federal Mutual Fire, becomes vice-president and general manager. Mark Kemper, heretofore assistant treasurer of that company, is named treasurer.

With L. M. C. and American Motorists Joseph E. Magnus, formerly secretary, and E. G. Hitt, formerly resident secretary at Atlanta, have been elected vice-presidents.

Fred A. Barker, assistant secretary of L. M. C., becomes second vice-president. G. M. Butters, manager of the Kemper office at Syracuse, becomes resident secretary.

Morgan F. Moore, general auditor of the eastern department at Philadelphia, is named assistant secretary.

James C. Wilson and Wallace D. Riddell, vice-presidents, are retiring under the pension plan. Mr. Wilson will enter the local agency business at San Diego. Mr. Riddell will act in a consulting capacity to the Boston department.

Indiana Court Upholds "Hold Harmless" Clause for City

The Indiana supreme court established liability for damages under construction contracts, in a test case out of the building of a new sewer system in Fort Wayne. Mrs. Hannah Freigley sued the Gargaro Company for damages to her home in connection with the work.

Revising a lower court decision, the supreme court held that although the contract was between the city and the contractor, this did not bar a third party from suing for damages. It also held that the board of public works had the right to purchase protection for the public and thus in effect force contractors to submit higher bids than otherwise. The construction contracts agreed to save the city harmless against any suits for damages arising from the work, and the city was held not liable.

Miss Madge Raney is conducting the agency of the late C. L. Baker of Colville, Wash., pending final disposition of the business by the administrator of the estate.

Indemnity of N. A. Goes Independent in Fidelity-Surety

(CONTINUED FROM PAGE 23)

A letter sent out to all agents of Indemnity over the signature of Executive Vice-President H. P. Stellwagen, announces the action and says that the agents advisory committee for several years has urged that the company resign from the two organizations in order that they might better serve their clients.

"For our part," the letter continues, "we have found it increasingly unsatisfactory to attempt to meet the needs of agents and brokers on a basis of non-affiliation in the casualty field and of affiliation in the bonding field.

"We have felt that fidelity rates should be more responsive to current experience and that forms should be flexible enough to meet the requirements of the insuring public. In the surety field, we believe that rates should reflect the responsibility and security offered by the principal. After considerable deliberation and discussion we have accepted the view that these aims may best be achieved through independent operation. From time to time you will be advised of changes and rules, forms and rates calculated to put these principles into effect."

Withdrawal from the organizations has been under consideration for some time but the company preferred to hold off taking any drastic action during the very unsettled conditions that followed the Supreme Court decision in the S.E.U.A. case.

Ensor Names Committee to Study Auto Cover Problems

Commissioner Ensor of Maryland has appointed J. F. Matthai, vice-president of U. S. F. & G., chairman of a committee which will study automobile insurance problems arising in connection with the return of handicapped veterans and the new financial responsibility law which becomes effective Jan. 1, 1946.

The committee will study the feasibility of a voluntary assigned risk plan for the state and includes the following members: W. H. Kincannon, superintendent automobile department U.S. F.

& G.; A. B. Nickerson, vice-president Maryland Casualty; E. J. MacLeod, vice-president New Amsterdam Casualty; J. T. Stafford, state manager American Automobile; W. E. Wilgus, assistant director State Farm group;

W. M. Scott, Gorsuch, Scott & Geiger, Baltimore, president Maryland Association of Insurance Agents, and J. M. Muir, secretary, American Mutual Alliance, New York.

Publicize 2nd Injury Fund

LANSING, MICH.—Michigan's department of labor and industry is endeavoring to dissipate reluctance of employers to hire physically handicapped persons by pointing out that the state now has \$78,306 on deposit in its second injury fund.

Eighty deposits have been made into the fund in conformity with provisions of the 1943 law, 54 by insurers and 26 by self-insurers. Most contributions were made by Michigan Mutual Liability, Detroit, with 13, with the Employer's Mutual and the state accident fund for second with 10 each.

Baxter V. Havens, manager in Indianapolis, observes Thursday his 25th anniversary with Hartford Accident. He started in a clerical and underwriting capacity in 1920. Early in the following year he was appointed branch manager and has continued in that post since. He is a son of the late Charles M. Havens, agent of Hartford Fire at Plainfield, Ind. On completing high school he entered insurance work with the Indiana Inspection Bureau and later served as deputy county auditor of Hendricks county, 1916-1920.

Elect National Bureau Coast Advisory Committees

LOS ANGELES—Maryland Casualty, represented by T. A. Michels; Great American Indemnity, W. J. McKinnon, and U. S. F. & G., H. C. Gillespie, have been elected members of the southern California advisory committee of the National Bureau of Casualty & Surety Underwriters. They will serve with these members of the northern California advisory committee, elected earlier: Fireman's Fund Indemnity, B. G. Wills; Aetna Casualty, J. R. Holmes; Travelers Indemnity; Hartford Accident, J. Lichtenstein; New York Casualty, F. B. Hammond; Globe Indemnity, L. R. Sweeney.

There was considerable discussion of the new rating laws enacted in Arizona and their enforcement when they became effective in the fall.

Three Insurance Witnesses Slated at House Hearing

WASHINGTON—The Kelley House committee studying problems of the physically handicapped will hear three insurance witnesses discuss epilepsy with relation to insurance at sessions scheduled for May 24 and 25.

The witnesses are H. W. Heinrich, Travelers; Ralph J. Crosby, New York, and Wilfred B. Johnson, Boston, both of Marsh and McLennan.

Accident Death Toll Set at 93,000 by Census Bureau

WASHINGTON—Accidents are estimated to have caused about 93,000 deaths in U. S. in 1944, on the basis of a 15% sample of death certificates, a decline of 6% from 1943, the bureau of census reports. The number of accidental deaths per 100,000 population was 70.3 (estimated) in 1944, down from 73.9 in 1943, and down from 71.7 in 1942.

A comprehensive report will soon be published by the bureau on "Accident Fatalities in the United States: 1943."

Air-transport accidental deaths rose from sixth to third place in 1943, with 7,057 deaths, an increase of 4,076 over 1942, and a death rate of 5.3 as compared with 2.2 in 1942. Texas, with 1,139, alone accounted for nearly one-sixth of the 7,057 air-transport deaths.

Blinded Veteran Is Licensed

HARTFORD—Sgt. John A. Wells of Racine, Wis., on Tuesday became the first blinded veteran of this war to receive a certificate from Commissioner Mr. Allyn entitling him to sell insurance in Connecticut.

Making the presentation in his office, Mr. Allyn remarked that this state's examination is one of the stiffest given anywhere and complimented the 24-year-old veteran on his grasp of the subject, acquired in the past 10 weeks, through the cooperation of the Old Farms convalescent hospital and a committee of Hartford insurance men.

Sgt. Wells is now enroute home following his discharge from the hospital and the army. He expects at first to confine himself to selling life insurance, and after acquiring practical experience in the field, will consider branching out into casualty lines. Insurance men cooperating in the local educational program for blinded veterans have already communicated with Racine underwriters, in order to help him get started in business, and select a company which will give him the best opportunity for a useful insurance career.

Sgt. Wells, who entered the army in 1941 and served in the medical corps, was blinded by a German mine in Normandy in July, 1944.

No examination is required to obtain an insurance license in Wisconsin.

War Rating Plan Meeting

WASHINGTON—The insurance joint rating committee functioning with the government in relation to the war projects joint rating plan meets May 24.

Employers Managers Confer at Home Office

Another two-week bonding seminar and conference for Employers group resident managers and assistant resident managers started May 14 at the home office. Coverages are being reviewed and plans formulated for post-war bonding activities.

Elmer C. Anderson, superintendent surety department, and Roger G. Whear, superintendent fidelity department, are leading the discussions.

Pedestrians Victims in 69% of City Traffic Deaths

Pedestrians were victims in 69% of all traffic deaths in 68 large cities in 1944, compared to 70% in 1943, the National Safety Council reports. This preponderance of pedestrian fatalities came despite a 7% drop in the number of pedestrian deaths the year before.

The greatest number of pedestrian deaths occur in December, due to seasonal hazards—rain, snow, ice, fog and more hours of darkness—plus the Christmas-New Year holiday activities.

Gas Company Sues O. Commission

The Ohio supreme court has ruled that the East Ohio Gas Company of Cleveland can properly plead it was denied equal rights under the federal constitution in its suit to compel the Ohio industrial commission, which administers the workmen's compensation law, to pay death claims for 73 employees killed in the explosion of liquid gas at the East Ohio works in Cleveland in October, 1944. The company filed its petition in the name of Marie M. Turner, widow of a victim. The gas company contended that the commission must pay the claims, inasmuch as the gas company is compelled to contribute to the reserve fund for catastrophes maintained by the commission.

Radio Sales Contest Winners

Winners in Lumbermen's Mutual Casualty's radio sales contest were Bryson Thompson, Thompson & Peck, New Haven, Conn., \$1,000; G. A. Tetley, Lumbermen's Mutual Insurance Agency, Cleveland, \$500, and B. J. Sager, Central Mutual Agency, Cleveland; Kenneth F. Failing, Failing & Timmerman, Watertown, N. Y.; Walter McGrath, K. of C. Auto Club, Philadelphia; P. P. Rocchio, Town Agency, Hempstead, N. Y., and S. B. Kirk, Mt. Vernon, N. Y., each \$100.

Attorneys Get \$44,510

MADISON, WIS.—Of the \$263,708 in assessments levied against policyholders of the defunct Wisconsin Mutual, \$44,510 has been paid out in attorneys' fees, \$41,500 going to Stroud, Stebbins & Wingert, Madison, who handles the insurance department's legal work under a contract approved by the circuit court. So far \$94,921 has been paid on claims, 75% of the total approved by the court.

Bar-Adjuster Issue Crops Up

LOS ANGELES—Attorney-insurance adjuster differences as to the practice of law were supposedly disposed of when the California bar-adjusters joint committee, a couple of years ago, signed an agreement patterned after that arranged by the American Bar Association. Alex W. Davis, Los Angeles attorney, chairman of the joint committee which negotiated the agreement and to which any new problems are to be referred, states that complaints are being received that compliance with the agreement is not 100%.

These difficulties are attributed to the large number of new independent adjusters in southern California and elsewhere.

Want direct-mail sales aids in accident and health? Write The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.

Mutual Company Reinsurance Data

Reinsurance premiums in force at the end of 1944 which amounted to \$25,000 or more are shown herewith for mutual fire companies licensed in New York state.

Similar figures for stock companies appeared in the March 15, March 29, April 5 and May 3 editions. The figures are shown to the nearest thousand and the last three ciphers are omitted except for totals which are shown in full for authorized reinsurance and for unauthorized reinsurance. Cessions appearing after the authorized reinsurance total indicate that these transactions are with insurers not licensed in New York. Companies doing exclusively a reinsurance business are shown in capital letters.

Atlantic Mutual—AM. RES. 224; Centennial 1,003; Cent. Mfrs. Mut. 444; Federal 27; Fire. Fund 44; General 230; N. A. 30; NOR. STAR 171; Ore. Mut. 56; Pacific 32; Stand. Mar. 44; Switz. Gen. 234; Am. Cargo Reins. 144. Total in auth. reins. \$2,819,576. Foreign Und. 614. Total in unauth. reins. \$627,737.

Am. S. S. Owners Mut. P. & L.—N. A. 65. Total in auth. reins. \$84,250.

Badger Mutual—General 35; Hard. Deal. Mut. 29; Nat. Ret. Mut. 40; NOR. STAR 533; N. W. Mut. 111. Total in auth. reins. \$775,309.

Berkshire Mutual—Merrimack Mut. 38; Mich. Millers 79; Nat. Ret. Mut. 30; Mut. Reins. Bureau 114; Mut. Ins. Und. Salem, 38. Total in auth. reins. \$460,110.

Cambridge Mutual—Merrimack Mut. 175. Total in auth. reins. \$175,852.

Central Mfrs. Mutual—Atlantic Mut. 133; CONST. REINS. 81; EAGLE, N. J. 146; General 84; Grain Deal. Natl. 38; Hard. Deal. Mut. 79; Ind. Lumb. Mut. 126; Lumber Mut. 139; Lumb. Mut. O. 97; Mich. Millers 30; Mill Own. Mut. 44; Mut. Impl. Hdwr. Mut. 57; Nat. Ret. Mut. 67; N. W. Mut. 113; Pa. Lumb. Mut. 135; Union Mut. 94; United Mut. 78. Total in auth. reins. \$1,660,454.

Dorchester Mutual—Quincy Mut. 46; Seaboard F. & M. 80. Total in auth. reins. \$288,217.

Employers Mutual Fire—Federal Mut. 29; Hardw. Deal. Mut. 44; Lumb. Mut. 31; Natl. Ret. 50. Total in auth. reins. \$200,702. Austin Mut. 31; Minn. Farmers 36. Total in unauth. reins. \$82,718.

Farm Bureau Mut.—INTER OC. 481; Lumb. Mut. 479. Total in auth. reins. \$959,959.

Farmers Alliance—Hardw. Deal. Mut. 32; Oregon Mut. 38; Mut. Reins. Bureau, III. 62. Total in auth. reins. \$197,735.

Federal Mutual—Emp. Mut. 30; Grain Dealers 29; Lumber. Mut. 35; Natl. Ret. 170; NOR. STAR 50; Ore. Mut. 37; Union Mut. 40; Am. Motorists 117. Total in auth. reins. \$668,548.

Fitchburg Mut.—GEN. SEC. 137; Merrimack Mut. 31; Mut. Ins. Unds. 25. Total in auth. reins. \$348,874.

Grain Dealers Natl. Mut.—Cent. Mfrs. Mut. 26; Hardware Deal. Mut. 38; Hard. Mut. 32; Ind. Lumb. Mut. 61; Lumber Mut. 36; Lumb. Mut. O. 46; Mich. Millers 111; Mill Owners 38; Millers Mut. III. 63; Millers Mut. Tex. 26; Millers Natl. 42; Mut. Impl. Hard. 33; Natl. Ret. 44; N. W. Mut. 129; Pa. Lumb. Mut. 41; Pa. Millers 82; Union Mut. 42; United Mut. 35. Total in auth. reins. \$1,127,621. Grocers Cash deposit 136; Wash. Co. Fire, Pa. 60. Total in unauth. reins. \$292,812.

Hardware Dealers Mut.—Allied Amer. 26; Allied, Utica 28; Badger Mut. 36; Central Mfrs. 64; Employers Mut. 38; Farm. Alliance 29; Grain Dealers 43; Ind. Lumb. 39; Lumb. O. 41; Mich. Millers 25; Millers Mut. Pa. 27; Mutual Impl. & Hdwr. 490; Nat. Ret. 27; N. W. Mut. 54; Oregon Mut. 32; Pa. Millers 35; United Mut. 33. Total in auth. reins. \$1,116,230. Accredited reinsurers: Neb. Hard. Mut. 29. Total in acr. reins. \$56,969.

Hardware Mut.—AM. RES. 1,264; GEN. SEC. 843; Grain Dealers 35; Ind. Lumb. Mut. 42; Lumber Mut. 44; Mich. Millers 36; Nat. Ret. 36; N. W. Mut. 42; Pa. Lumb. Mut. 47; United Mut. 44. Total in auth. reins. \$2,455,482. Lloyds, 26. Total in unauth. reins. \$26,147.

Hingham Mut. Fire—GEN. SEC. 29; Worcester Mut. 43; Mut. Ins. Unds. Mass. 26. Total in auth. reins. \$216,213.

Holyoke Mut. Fire—Abington Mut. 31; AM. RES. 31; GEN. SEC. 74; Lynn Mut. 25; Middlesex Mut. 167; Norfolk & Ded. 26; Quincy Mut. 70; Worcester Mut. 48. Total in auth. reins. \$634,592.

Implement Dealers Mut.—EAGLE, N. J. 29; Mich. Millers 26; N. W. Mut. 64. Total in auth. reins. \$163,640. Ohio Hdwr. Mut. 69. Total in unauth. reins. \$334,787.

Indiana Lumbermens Mut.—Cent. Mfrs. Mut. 168; Grain Dealers 72; Hard. Dealers 28; Hard. Mutual 54; INTER OC. 51; Lumber Mut. 1,226; Lumb. Mut. O. 212; Mich. Millers 26; Mill Owners 32; Mut. Impl. & Hdwr. 93; Nat. Ret. 59; N. W. Mut. 249; Pa. Lumb. 268; Pa. Millers 31; Union Mut. 40; United Mut. 93; Western Millers 59; Imp. Risk Mutuals 69; Mut. Reins. Bureau, III. 46. Total in auth. reins.

\$1,856,541. Fidelity Mut. 64; Lloyds 201. Total in unauth. reins. \$298,466.

Iowa Hardware Mut.—N. W. Mut. 28. Total in auth. reins. \$152,307.

Lumber Mutl. Boston—Cent. Mfrs. 108; Grain Dealers 31; Hard. Mut. 46; Ind. Lumb. 155; Lumb. Mut. O. 129; Mich. Millers 36; Mill Owners 34; Mut. Impl. & Hard. 47; Natl. Ret. 92; N. W. Mut. 158; Pa. Lumb. 191; Pa. Millers 38; United Mut. 46. Total in auth. reins. \$1,165,206. Lloyds 33. Total in unauth. reins. \$32,834.

Lumbermens Mutual, O.—Cent. Mfrs. Mut. 114; Employers Mut. 29; Grain Dealers 52; Hard. Deal. 39; Hard. Mut. 44; Ind. Lumb. 161; INTER OC. 48; Lumber Mut. 145; Mich. Millers 58; Millers Mut. III. 25; Mut. Impl. & Hard. 54; Natl. Ret. 55; N. W. Mut. 172; Pa. Lumb. Mut. 143; Union Mut. 37; United Mut. 74; Mutual Reins. Bureau 68. Total in auth. reins. \$1,426,108. Ohio Hard. Mut. 29. Total in unauth. reins. \$72,839.

Lynn Mutual—Holyoke Mut. 29; Middlesex Mut. 301. Total in auth. reins. \$387,775.

Merchants & Business Mens Mut.—AM. RES. 131; Hard. Deal. Mut. 44; Mut. Impl. & Hard. 63; N. W. Mut. 901; Union Mut. 78; United Mut. 340. Total in auth. reins. \$1,594,426.

Merrimack Mutual—AM. RES. 100; Cambridge Mut. 384; CONSTITUTION 27; GEN. SEC. 31; NOR. STAR 42; Mut. Fire. Ins. Unds. 33; Mut. Ins. Unds. 63. Total in auth. reins. \$964,074.

Michigan Millers Mut.—Grain Deal. 51; INTL. 47; Lumb. Mut. O. 43; Mich. Shoe Dealers 117; Mill Owners 36; Millers Mut. III. 52; Millers Mut. Tex. 29; Millers Natl. 208; Natl. Ret. 36; N. W. Mut. 30; Pa. Millers 42; United Mut. 41; Western Millers 28. Total in auth. reins. \$940,137. Accredited reinsurers: Impl. Deal. Mut. 26. Total in acr. reins. \$66,566.

Middlesex Mutual—AM. RES. 31; GEN. SEC. 32; Holyoke Mut. 145; INTER OC. 37; Lynn Mut. 422; NOR. STAR 32; Quincy Mut. 31; Mut. Ins. Unds. 54. Total in auth. reins. \$882,975.

Mill Owners Mut.—Millers Mut. III. 29; Pa. Lumb. Mut. 27. Total in auth. reins. \$243,196.

Millers Mut., III.—Grain Deal. 35; Mich. Millers 36; Mill Owners 98; Millers Mut. Tex. 26; Millers Natl. 28; Natl. Ret. 39; Pa. Millers 30; Western Millers 27. Total in auth. reins. \$847,652. Lloyds 87. Total in unauth. reins. \$87,532.

Millers Mut., Pa.—Grain Dealers 43; Hard. Deal. Mut. 29; Mich. Millers 39; N. W. Mut. 30; Pa. Millers 63; United Mut. 32. Total in auth. reins. \$455,117.

Millers Mut., Tex.—Tex. Nat. Mut. 141. Total in unauth. reins. \$141,894.

Mutual F. M. & Inland—Am. Equit. 182; AM. RES. 96; Pa. Lumb. Mut. 89. Total in auth. reins. \$434,349. Transportation Mut. 132. Total in unauth. reins. \$224,558.

Mutual Implement & Hardware—Cent. Mfrs. Mut. 46; Grain Deal. 35; Ind. Lumb. 56; Lumbermens Mut. 40; Nat. Ret. 41; N. W. Mut. 150; Oregon Mut. 31; Union Mut. 44. Total in auth. reins. \$515,274. Druggist Mut. 29; Minn. Farmers 674. Total in auth. reins. \$1,371,951. Druggists Mut. 34. Total in unauth. reins. \$60,425.

Norfolk & Dedham Mut.—CONSTITUTION 29; GEN. SEC. 87; Quincy Mut. 32; Mut. Ins. Unds. 52; Worcester Mut. 41. Total in auth. reins. \$439,631.

Northwestern Mut. Fire—Badger Mut. 31; Central Mfrs. 40; Federal Mut. 252; Lumber Mut. 38; Lumbermens Mut. O. 40; Mich. Millers 27; N. W. Mut. 35; Oregon Mut. 30; Union Mut. 29; Am. Motorists 674. Total in auth. reins. \$1,371,951. Druggists Mut. 34. Total in unauth. reins. \$60,425.

Ohio Lumbermens Mut.—Berk. Mut. 31; Grain Dealers 56; Hard. Dealers 39; Lumbermens O. 25; Mich. Millers 76; Millers Mut. Pa. 67; Millers Mut. III. 29; NORTHEASTERN 28; West. Millers Mut. 35. Total in auth. reins. \$568,666.

Ohio Retailers Mut.—Badger Mut. 35; Central Mfrs. 40; Federal Mut. 252; Lumber Mut. 38; Lumbermens Mut. O. 40; Mich. Millers 27; N. W. Mut. 35; Oregon Mut. 30; Union Mut. 29; Am. Motorists 674. Total in auth. reins. \$1,371,951. Druggists Mut. 34. Total in unauth. reins. \$60,425.

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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Meet June 15 on Bank-Agent Plan

Alfred I. Dreifus of Detroit, chairman of the financed accounts committee of the Michigan Association of Insurance Agents, has called a special meeting of all those interested in a bank-agent automobile plan at the Book-Cadillac hotel, Detroit, June 15, beginning at noon. Bankers are being invited. The financed accounts committee will meet earlier in the morning at the same location, and there will be an executive committee meeting of the association that morning also.

The financed accounts committee has completed its manual on this subject, a 32 page, illustrated booklet for use of agents and banks. Association members each will receive one copy free.

The agenda of the executive committee meeting called by President Carl F. Trager, will include consideration of plans for an annual meeting, review of the legislative picture, and cooperation with the office of veterans' affairs in assisting agent veterans to reestablish themselves in business and in other ways.

The Michigan Bankers Association is cooperating with the agents in getting the financed accounts manual into the hands of local bankers and is circularizing its membership in behalf of the project. The manual stresses the savings in the bank agency arrangement, compared with the charges of finance companies. As an illustration, a medium-priced sedan, costing, with equipment, \$1,450, with a \$485 down payment, can be financed by a bank for \$102.45 less over a 15-months' period than by a finance company. By utilizing a local agent's service, the car can be insured against fire, theft, and other required insurance for \$47.50, leaving a net saving of \$54.95, sufficient to buy public liability and property damage coverage, medical reimbursement, with enough left over to purchase a \$25 war bond.

Wisconsin Agents Schedule Regionals

MILWAUKEE—In compliance with ODT regulations, the Wisconsin Association of Insurance Agents has now definitely called off its annual mid-year meeting and has substituted five regional meetings. The announcement was made by President John S. Rowland, Racine, following a meeting of officers and executive committeemen here.

The regionals are scheduled as follows: June 4, Milwaukee; June 5, Madison; June 6, Oshkosh; June 7, Wausau, and June 8, Eau Claire.

President Rowland, Urban Grier, executive secretary; Wallace Rodgers N.A.I.A., public relations executive, and Prof. Erwin A. Gaumnitz, insurance instructor University of Wisconsin, and others will attend.

Meetings will be open to non-members. Among the discussion subjects will be legislation, postwar financing and insuring of automobiles and other time purchases by local bankers and local agents; an educational program for Wisconsin agents, public relations and the agents' qualification bill.

President Rowland has announced the resignation of Mrs. Hilda Rogers as secretary of the Wisconsin association after three years of service. Mrs. Rogers has resigned from the Dick & Reuteman Co. agency, Milwaukee, to become an

underwriter in the newly opened Royal Indemnity office in Milwaukee, a change which disqualifies her from holding the secretaryship of the local agents' group. This elective office has not been filled.

\$1½ Million Fire at Columbus, O.

COLUMBUS, O.—When a workman lit a cigarette a spark from the match dropped on oily sawdust and caused the Blaw-Knox war plant fire, 630 North Cassiday avenue, here—it resulted in a \$1½ million loss. The company manufactured bomb tubes. The buildings were leased from the Ralston Steel Car Co. They were two 1-story buildings 450 feet long and 80 feet wide housing tubing and chain sections. Valuable records were removed from the plant office before the fire reached them. Insurance was written in the Factory Insurance Association.

Many working agreements between labor and employers now carry clauses permitting smoking in any part of a plant, not in restricted areas only. In the face of labor union pressure, even backed up and supported by the war labor board, management is helpless to control the smoking with its potential fire and loss of life hazards.

The fire occurred at 4:30 Sunday afternoon when only 70 employees were on hand. Its rapid spread through the plant was caused apparently by ignition of vapors from solvent dropped on wood shavings. The fire alarm was given by telephone and it was said there was a delay of 20 minutes from the time the fire started before the alarm was turned in.

The Factory Mutuals had the building with a \$150,000 loss limit. There was no U. & O.

Huhnke Elected President of Minneapolis Club

MINNEAPOLIS—The Insurance Club of Minneapolis at its annual meeting elected E. C. Huhnke, manager of Maryland Casualty, president; Allan C. Halgren, Minneapolis National Co., vice-president; Philip M. David, David agency, secretary, and E. C. Bowe, state agent Springfield F. & M., treasurer. George F. Duerr, state agent of Providence Washington, the retiring president, was elected a director.

Frank S. Rogers, St. Paul general agent, sponsored the program. Rev. Leonard P. Cowley of St. Paul spoke on "My Observation of Human Values."

The 25th anniversary of the club will be observed May 22 with a golf tournament for members at the Minneapolis Golf Club. This will be the first golf party ever staged by the club and it is hoped to make it an annual event. W. W. Vocht of Marsh & McLennan is general chairman.

O'Connor to Speak at South Bend-Mishawaka Dinner

MISHAWAKA, IND.—James C. O'Connor, Chicago, editor "Fire, Casualty & Surety Bulletins" of THE NATIONAL UNDERWRITER, will discuss the personal property floater at the meeting of the South Bend-Mishawaka Association of Insurance Agents here Thursday. It will be a dinner meeting at the Mishawaka hotel.

George E. Keller of Whitcomb & Keller, South Bend, is in charge of the

program. R. M. Richard, Mishawaka, is president of the board.

Tucker Agency 25 Years Old

E. E. Tucker, agent at Ottawa, Ill., and Mrs. Tucker were hosts to the agency to celebrate Mr. Tucker's 25th anniversary with United States Fire.

G. W. Olson, farm manager of the western department of the company, attended, as well as the following and their wives associated with the agency: Mr. and Mrs. John Holverson, Mr. and Mrs. John G. Schumacher, Mr. and Mrs. Tom Pillion, and Miss Doris L. Wagner, secretary of the agency, and V. L. Zimmerman and C. E. Hoiles, special agents of the company.

Mr. Olson presented Mr. Tucker a gift. Mr. Tucker started his agency in 1910 at Harding, Ill., and then relocated in Ottawa in 1916. He has specialized largely in the writing and handling of farm insurance.

Krier Visits Wisconsin Boards

MILWAUKEE—Urban Krier, executive secretary of the Wisconsin Association of Insurance Agents, is making a series of visits to local boards throughout Wisconsin to discuss the work and plans of the state association. Monday he addressed the joint meeting of the Racine Insurance Board and Racine County Insurance Association at Racine; May 15, Washington County Underwriters Association at West Bend, and May 16, Langlade County Association of Insurance Agents at Antigo. His itinerary next week includes: May 21, Dodge County Insurance Agents Association, Beaver Dam; May 22, Wood County association at Wisconsin Rapids; May 23, Sauk County association at Baraboo, and May 28, Rock County association at Janesville.

Women Schedule Regional

SIOUX CITY, IA.—The Sioux City Insurance Women's Association will be host to a regional meeting May 19-20 of the fifth district, which comprises Iowa, Nebraska, South Dakota, Minnesota and Wisconsin.

George C. Maxwell, Home group, Des Moines, will be master of ceremonies at the banquet. Alexander McDonough, Omaha casualty manager Travelers, will speak. There will be a tea at the home of J. Watt Wooldridge, local agent. Mrs. Doris Mundt, second vice-president, Miss Marcella Beise, treasurer and Mrs. Fern H. Anderson, chairman of the budget and finance committee, will represent the National association.

Forshey Loses Mich. License

LANSING, MICH.—Richard J. Forshey's license as a Detroit agent has been canceled by Commissioner Forbes on the basis of facts developed at a hearing in Detroit. Commissioner Forbes said testimony was offered that Forshey told an injured employee covered by the compensation law that he should pay the agent \$50 out of a \$270 compensation check and \$25 from a \$90 check covering medical and hospital expense. The commissioner said Forshey, whose agency represents Western Casualty & Surety, National Surety, Milwaukee Mechanics, Western Fire and National Surety Marine, had been in business in Detroit for 10 years but investigation revealed that he lost his license in Ohio prior to that time when he got into financial difficulties with the companies he represented.

Hoese Joins Hukill Agency

CINCINNATI—Frederick Hoese has become associated with the W. S. Hukill, Jr., Agency, after having been in the banking business here

for 35 years. He resigned as assistant vice-president of the Southern Ohio Savings Bank & Trust Company. H. M. Balyeat, who has been associated with Mr. Hukill in the agency for 20 years, will continue in the same capacity. Mr. Balyeat, a native of Van Wert, was adjuster for Travelers here for many years before joining the agency. Both Mr. Balyeat and Mr. Hoese are sons-in-law of Mr. Hukill, the founder.

Farm Mutuals to Confer

LANSING, MICH.—A general membership meeting of the Farm Excess of Loss Association, Michigan farm fire mutuals' reinsurance pool, is to be held here May 25, according to the new secretary-treasurer, George G. MaDan.

So far there has been no payment by the Eddy Shipbuilding corporation, Bay City, on loans aggregating approximately \$68,000 made from association funds by L. P. Dendel, former secretary, without requirement even of the posting of security, according to insurance department examiners. A week ago, George G. Eddy, Bay City, president of the shipbuilding firm of which Mr. Dendel is secretary, had promised payment on the corporation's notes "within 10 days."

Hartford Has New Iowa Setup

DES MOINES—The Des Moines office of Hartford Fire held open house in its new quarters 700 Old Colony building Tuesday.

Additional facilities are available due to the larger quarters and the office will now write policies for Iowa agents instead of doing this service in the Chicago office.

Attending the opening of the new offices were George H. Moloney, vice-president of Hartford Accident, and J. W. Reitz, assistant manager, from the Chicago office; H. W. Donnan, assistant manager, and James S. McHugh, agency superintendent, representing the western department of Hartford Fire.

Continue Flint School Cover

FLINT, MICH.—John M. Barrett, board of education business manager, reported that the board has spent \$105,000 on insurance premiums the past decade and has received but \$5,200 in payment of claims. His report, however, failed to persuade the board to reinstate a self-insurance program abandoned some years ago.

Ernest W. Potter, board president, said the board "did not dare" carry its own fire risk, as it would be impossible to replace a school building if one were destroyed by fire. The board maintains fire and extended coverage protection on the entire \$10,000,000 school plant.

Hutchinson, Kan., Board Elects

HUTCHINSON, KAN.—The new executive committee of the Hutchinson Association of Insurance Agents includes W. G. Wolesslagel, Chas. E. Long, Harry W. Davis, John B. Brehm and A. H. Lewis. They will select the officers. John Fonton is the retiring president.

Messrs. Davis and Long discussed post-war automobile financing and insurance. N. N. Kline of the Will S. Thompson-Kline agency attended for the first time since January, when he suffered a severe heart attack.

Iowa Fire School Held

AMES, IA.—The annual three day Iowa fire school was held at Iowa State College with classes in general and specialized fire control problems. Leaders and instructors included Richard E. Verner, Western Actuarial Bureau, Chicago; Leonard C. Lund, Minnesota deputy insurance commissioner; Dr.

Richard C. Steinmetz, Mutual Fire Prevention Bureau, Chicago; Harry J. Corcoran, engineer Iowa Insurance Bureau, Des Moines, and John Strohm, state fire marshal.

\$90,000 Loss at Grand Rapids

The Grand Rapids (Mich.) Woodcraft Company plant was destroyed by fire. The \$60,000 insurance on contents is estimated total. The two-story main building, owned by Joseph Wolf, president and manager of the firm, was insured for \$30,000. This also is estimated total.

The company had been engaged in manufacture of metal-bound plywood acoustical cases under a war department subcontract and, prior to the war, manufactured radio cabinets.

No Trash Fires in St. John

ST. JOHN, KAN.—In the observance of Kansas Clean-Up Week here it was announced that not a single fire here last year was attributed to trash. Sponsored by Raymond L. Budge, vice-president of the Kansas Association of Insurance Agents, a trash ordinance was passed last year which prohibits all burning of trash in the business district and a municipal weekly trash collection service was inaugurated at the same time.

Ind. Fifth District Meeting

More than 100 attended at the fifth district meeting of the Indiana Association of Insurance Agents at Marion, with the Grant county association as host. Speakers included Herman C. Wolff, Indianapolis, president of the Indiana association; Harry E. McClain, executive secretary, and Robert L. DeHority, Elwood, regional vice-president.

Bank-Agent Plan in K. C., Kan.

At the monthly meeting of the Kansas City, Kan., insurance board, a committee headed by Sam Reynolds was appointed to contact local banks in connection with the bank-agent plan for automobile financing.

Fred Kafer of Appleton & Cox spoke on inland marine coverages.

Change in Toledo Agency

The insurance department of the E. L. Southworth & Co., Toledo, has been sold to John C. Tubbs, who operates the Fred W. Smith agency. James M. Larmore, manager of the Southworth insurance department, continues under the new setup.

Huffman Now Iowa Manager

Leon A. Huffman has been appointed Iowa manager of the Union Fire of Nebraska with headquarters in Cedar Rapids, succeeding Orie H. Chambers, Des Moines, who has been compelled to forego road work, but will continue to maintain a service office in Des Moines for Union Fire.

Coate Speaks in St. Louis

ST. LOUIS—Alvin T. Coate, president of the Insurance Audit & Inspection Company of Indianapolis, spoke on "Control of Insurance Costs" at a meeting of the St. Louis chapter of the National Association of Cost Accountants Tuesday.

Des Moines Bank-Agent Parley

DES MOINES—The Des Moines Association of Insurance Agents will hold a meeting with local bankers May

21, to discuss methods of cooperation on automobile financing.

Names Dakota General Agency

Agricultural has appointed Robert Ellis and the Dakota General Agency of Fargo, to supervise fire and allied lines in North Dakota.

NEWS BRIEFS

Carl G. Stifel, St. Louis real estate and insurance agent, has been appointed a member of the state social security commission to succeed Morton T. Jones of R. B. Jones & Sons, Kansas City, resigned.

Miss Elma M. Colver, operator of the Cook-Colver agency, is recuperating in a Wichita hospital following an operation.

Robert A. Hennie, who resigned recently as Ohio special agent of America Fore, has become manager of the fire and inland marine department of the Rankin, Johnson, Dexter Co., Columbus.

Walter E. Schirber, formerly manager of the Union Bank agency, Montevideo, Minn., later with the Stock Yards Mortgage Co. at South St. Paul as insurance manager, has joined the insurance de-

partment of the David C. Bell Investment Co., Minneapolis.

The R. A. Wuestenberg agency, West Liberty, Ia., will observe its 30th anniversary June 2.

E. L. Stephenson, Associated Aviation Underwriters, Chicago, conducted a class on aviation insurance for the Indianapolis Association of Insurance Women May 11, and Commissioner Pearson will have a class on state insurance laws May 18.

Miss Ruth Hellmann, American Surety, has been elected president of the recently organized Insurance Women of St. Louis. Vice-presidents are Connie Roche, Maryland Casualty; and Mary Schueler, Royal; secretaries, Virginia Loire, General Insurers, and Helen Schwarzbach, Newhouse & Sayre; treasurer, Joan Martin, Marine Underwriters Corporation.

The \$50 check recently presented the Springfield (Ill.) Association of Insurance Women by Casper Brown of the Feffer & Brown agency there was on behalf of the Springfield Association of Insurance Agents.

The Minneapolis Insurance Women's Association will hear a talk by Heeter Magales on conditions in South America at its meeting May 21.

Maynard A. Showers of Waterloo, Ia., former district representative of Hardware Mutual, has purchased an interest in the Charles M. Young agency there.

be in Enid May 22-23 to talk on inland marine.

McAlester agents will hear burglary discussed by H. A. Houston, assistant manager of American Surety, May 22-23.

Canfield Elected President of Texas Inspection Bureau

DALLAS—M. L. Canfield, manager service department of Home, with headquarters in Dallas, has been elected president of the Texas Inspection Bureau. Mr. Canfield filled out the unexpired term of A. Sidney Briggs, North British, who resigned as president to become manager. R. U. Wright, New York Underwriters, was elected vice-president, and C. G. Dempsey, Springfield F. & M. secretary. The executive committee will consist of the three officers and J. A. Davis, Floyd West & Co., and J. F. Nowlin, National Fire.

Alwin Hines, Crum & Forster, J. O. Smith, Trezvant & Cochran, Edward Wright, National Union, and C. J. Wykoff, Aetna Fire, are holdover members of the board. The newly elected members include: Norris Parker, Loyalty group; Charles J. Williams and L. F. Dakin, North America; Charles Beale, Yorkshire; Gordon Yeargan, Trinity Universal; and J. Charles Pearson, Fidelity & Guaranty Fire.

Church Case Hearing June 12

RICHMOND—The Virginia corporation commission has set June 12 for argument in the case involving action of the Virginia department in denying the Edward F. C. McLaughlin Company of New York a license in Virginia as non-resident broker. Testimony was taken in the case several weeks ago. In denying the company a license, the Virginia department contended that it brokered a binder on Catholic church properties in the diocese of Richmond before obtaining a license to operate in Virginia. Action was taken after agents who were faced with loss of the business complained to the department.

Louisiana Officers Reelected

At a one-day executive session of the Louisiana Association of Insurance Agents at New Orleans, President E. J. Seymour of Monroe was reelected as were all the other officers. L. W. Collins of Baton Rouge is vice-president; Heath Petri of Alexandria, secretary-treasurer. W. L. Ferguson of New Orleans is state national director.

New Okla. Liquefied Gas Law

A new Oklahoma law regulating the handling, using, storing, selling, distribution, transporting and manufacture of butane, propane and other liquefied petroleum gases has been signed by the governor and will become effective July 1.

S. E. U. A. Meeting June 14

The annual meeting of the Southeastern Underwriters Association will be held at Atlanta, June 14. This will probably be an abridged session. There are 15 members of the executive committee and that number constitutes a quorum.

NEWS BRIEFS

Mrs. Helen Webster of Floyd West & Co. has been elected president of the Insurance Women of Dallas. Miss Vera M. Keyes of McNeny & Burke, and Mrs. Martha A. Moore of Seay & Hall are vice-presidents; Miss Ida Mae Bradshaw, Insurors Indemnity, and Miss Jane Bundschuh, Employers group, secretaries; Miss Elizabeth Burford of Highfill, Gulette & Terry, treasurer.

The May meeting of the Insurance Women's Club of Oklahoma City brought out an attendance of 75. Betty Mahan, chairman of the educational committee, reported that the course on automotive insurance had been completed and new classes will begin at once on inland marine.

The Insurance Women of Montgomery, Ala., at its May meeting, heard George Welch, casualty manager of Johnson, Overton & Company, Birmingham, discuss "Boiler Insurance."

PACIFIC COAST AND MOUNTAIN

Rodgers Speaks at 4 Wash. Regionals

SEATTLE—Four well-attended regional meetings were held by the Washington Association of Insurance Agents to hear Wallace Rodgers, executive assistant of the National association, who outlined details of the public relations program and other current activities.

Mr. Rodgers was met at Spokane by officials of the Washington association who accompanied him on his tour. He had previously held an all-day meeting at Moscow, Idaho, with leaders of the Idaho association.

At Spokane President V. R. Lee of the Washington association reviewed legislative problems. A. W. White, state national director, announced that a complete automobile financing kit, containing available direct mail literature would be sent to all members.

C. E. Fraser, president of the Yakima Association of Insurance Agents, presided at the meeting there. Another session was held in Seattle as well as at Chehalis.

Mr. Rodgers is in Oregon this week for a series of meetings and will return east by way of Wyoming where he will address meetings at Casper and Cheyenne.

Revise Ore. Growing Grain Regulations and Other Rules

PORLTAND, ORE.—Changes in the rules and schedules of the Oregon Insurance Rating Bureau include important revisions in growing grain regulations, which are mandatory as of May 1.

The effective date for growing grain is revised to May 1, with no change in the expiration date of Nov. 30 each year. Formerly the earliest inception date permitted was March 1. "Other insurance permit" standard form 252-A is reinstated. Privilege for transfer of grain to buildings is amended to require that a specific limit of liability be provided in each building.

New rules are provided for insuring against consequential damage on crops other than hops. Deterioration or spoilage of fruits, vegetables or other crops resulting from the damage or destruction of buildings or equipment used for processing such crops may now be covered. Consequential damage from heating apparatus affecting merchandise or other products is now provided for. The rule for term insurance is amended to permit motorized plant equipment and contractor's equipment in dead storage to be included with other equipment. Fruit and vegetable canneries are made eligible for term at reduced multiples.

Rules applying to dwellings and related coverage are amended to correspond with the new dwelling forms made available some months ago. Optional coverage on trees, shrubs and plants in connection with dwellings is permitted under extended coverage endorsement, and floater policies are removed from prohibited list for the endorsement.

Allan Heads Pacific Board Executive Committee

SAN FRANCISCO—At the organization meeting of the new executive committee of the Pacific Board Tuesday, Clarence E. Allan, Pacific Coast manager of Northern Assurance, was elected chairman.

Roy Elmore to Los Angeles

SAN FRANCISCO—Roy O. Elmore, who has been assistant vice-president and Pacific Coast manager of Pacific National Fire, has resigned effective June 15 and will open his own local agency in Los Angeles July 1.

He entered the insurance business in

Los Angeles with the Pacific Board in 1924. Subsequently he joined Fireman's Fund as special agent and engineer in charge of the Los Angeles office and was appointed manager of the Los Angeles office of the Pacific National in 1934. He was elected an assistant vice-president in 1943.

Another Big Ore. Lumber Loss

The fifth large lumber plant loss in Oregon in two weeks was sustained when the Lumber Manufacturers plant, located adjacent to the Southern Pacific yards in southeast Portland, burned with loss estimated at \$150,000. Cause has not been established. The plant was producing spruce parts for gliders and airplanes. The blaze started in the planer room and quickly engulfed the plant.

Dubinski Leaves N. W. National

John Dubinski, for 23 years with the Pacific Coast office of Northwestern National in San Francisco, most of the time in charge of automobile and inland marine business, has resigned.

Change in Seattle Agency

H. H. Cloutier has retired as president of John Davis & Co., pioneer Seattle agency. T. V. Dempsey, formerly vice-president, has succeeded him as president. The controlling interest of the firm has been acquired by Mr. Dempsey, Kenneth B. Colman and Walter L. Wyckoff, who becomes vice-president. J. E. Norton continues as treasurer and Reid V. Welty as secretary.

Fairbairn Gets Baltimore Amer.

The Nathan L. Fairbairn General Agency has been appointed California general agent of Baltimore American and Baltimore Underwriters. George P. Williams, former manager of Providence Washington and allied companies, is in charge of the general agency's fire business. The companies were formerly with Hinchman, Ralph & Landis.

Cal. General Agents Elect

SAN FRANCISCO—Carl N. Homer of Deans & Homer has been elected president of the California Association of Insurance General Agents, with L. R. Eby of Eby & Co. as vice-president. John Denmer, Victor Montgomery general agency, was reelected secretary-treasurer.

To Study Utah Laws

The Utah senate and house have appointed a joint committee to study the insurance laws. The committee is to make recommendations as to what regulation is needed and what control should be established. The report will be presented to the governor and legislature in 1946.

NEWS BRIEFS

Nathan Lakefish will complete 25 years with the Oregon Insurance Rating Bureau May 25. He started in the automobile department of the Bureau, later expanding his responsibilities to all phases of the examining department. He was subsequently named assistant chief examiner, which position he now holds.

Victor S. Risley, Portland, Ore., local agent, has become associated with Durham & Bates. He will specialize in contract bonds and other surety lines, but will continue his former activities in general lines of insurance. He has been with the Mansfield agency and has been in the business in Portland 15 years.

L. J. Stokes, formerly south district manager in Seattle of the Northwestern Mutual Fire and Northwest Casualty, has purchased the business and established an agency in the Central building.

A new local agency has been established by John C. Holst in Tacoma, Wash.

Barthelmes Lists Points to Check on Motor Cargo Risks

NEW YORK—As an aid to holding down truck cargo losses, which have been running extremely heavy, A. W. Barthelmes, secretary of the North British group and chairman of the motor cargo committee of the Inland Marine Underwriters Association, has evolved a 10-point code for underwriters. It is published in the May "Babaco News," house organ of the truck alarm firm.

Mr. Barthelmes' 10 points are:

1. Don't guess; devise a sound estimating basis.
2. Classify each loss hazard and be certain each is adequately analyzed.
3. Examine the past loss record of the risk—if others were hit hard, will you be any luckier?
4. Carefully check into equipment and all safety devices—fire protection, theft protection, driving protection.
5. Give a rate credit for these devices—but make this a specific credit, to encourage its maintenance.
6. Be sure you know the full ownership status of the trucks used.

7. Ascertain the exact cargo nature and routes traversed and require notification of change.

8. Check financial strength and reserves. Lay particular emphasis upon undisclosed claims for loss and damage.

9. Check values.

10. Check on every renewal (or more frequently). Don't take it for granted all these items are the same a year later.

Elected to Safety Code Group

James B. Douglas, manager of the casualty and insurance department of the Philadelphia Gas Works Co., was elected new vice-chairman of the safety code correlating committee of the American Standards Association at its annual meeting in New York.

Walter S. Paine, manager of the engineering and inspection department of Aetna Casualty, was reelected a member of the executive committee representing the National Conservation Bureau of the Association of Casualty & Surety Executives.

Harry A. Gabor of the New York State Insurance Fund, representing the American Society of Mechanical Engineers, and John M. Roche, director of the industrial division of the National Safety Council, were elected new members of the executive committee.

EASTERN STATES ACTIVITIES

Reduce Rates on Public Housing Projects in N. Y.

The New York Fire Insurance Rating Organization has granted substantial fire insurance rate reductions on New York state public housing projects. Herman T. Stichman, state housing commissioner, had asked Superintendent Dineen for special rates. The reductions will be applicable to buildings in projects throughout the state except in New York City where special rates are already in effect.

A credit of 25% has been granted where the projects have detached central heating plants servicing all units. Another credit of 20% is allowed on all the projects because of the detached arrangement of units, and the supervision, maintenance and control by local public housing authorities. In certain instances the credits are to be applied successively.

Recently, a reduction of 50% from former manual rates for owners' protective liability insurance covering the construction of public housing was obtained by the division of housing. This, together with the saving from the new fire rates, will be reflected in lowered rents to be charged to project tenants.

Approve Three of Five Multiple Powers in Pa.

The Pennsylvania legislature has passed a multiple line bill embodying three of the five original recommendations suggested by the multiple line underwriting committee of which John A. Diemand, president of North America, is chairman. New Jersey and North Carolina already had passed multiple line bills and a similar measure is pending in Massachusetts.

In Pennsylvania any domestic, fire, marine, casualty or surety company is empowered to write any and all kinds of insurance or reinsurance, other than life or annuities, on risks outside the United States, its territories and possessions, if it maintains a minimum policyholders' surplus of \$1,500,000. Such companies can accept any and all kinds of reinsurance, other than life and annuities, if they maintain a minimum policyholders' surplus as now required by law.

In addition the personal property floater is authorized. Pennsylvania was

one of the few states left in which the form was not approved.

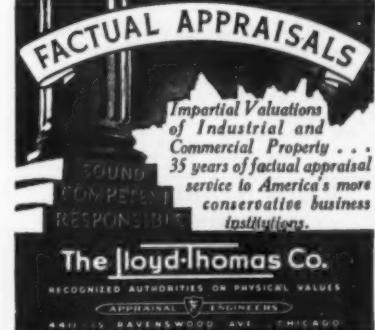
Harrington at Greenfield

GREENFIELD, MASS.—Commissioner Harrington was the principal speaker at a meeting observing the 62nd anniversary of the Franklin County Board. An afternoon of discussion was held in charge of the Western Massachusetts Field Club. J. Frederick Zappey, Greenfield, was elected president; Lloyd H. Mason, Bernardston, vice-president, and L. Halsea Crosier re-elected secretary-treasurer.

Evans' Agency Reorganized

BLUEFIELD, W. VA.—William Barger has been named acting manager and acting secretary of the Citizens Underwriters Agency of Bluefield, of which the late Ray Evans was for so many years manager, secretary and treasurer, and Elmo L. Agee acting treasurer.

Mr. Barger has been with the agency



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**ST. FLORIAN
PATRON SAINT OF
FIREFIGHTERS**

The cult of St. Florian was introduced into Poland in 1183 by Giles, Bishop of Modena. St. Florian's protection against fire is still sought by some . . . and his feast is kept every May 4th.



from the Bettmann Archive

St. Florian and his followers to this day carry on the unending fight against one of man's oldest enemies: Fire.

Since his day not only fire fighting, but fire prevention and, most important, fire insurance, have made big strides forward. The aftermath of fire—a sad and devastating aftermath, at best—can be less disastrous if a soundly-conceived, ably-executed program of insurance is arranged by a competent agent.

St. Florian fights on, and today wise men take counsel with a good fire insurance agent.

Agents of the National Fire Group companies are good agents to see BEFORE disaster strikes.

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